

# REVITALIZE AND THRIVE





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VOLUME 2

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# DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of research and development on information technology solutions to the financial services industry.

The principal activities of the subsidiaries are engaged in provision of information technology solutions, research and development for information technology solutions, deployment services, consultancy services in information technology services, system integration services, distribution and maintenance of computer hardware and software. Other information relating to the respective subsidiaries are disclosed in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year

## RESULTS

	Group	Company
	RM	RM
Loss for the financial year	27,805,556	1,119,510
Attributable to:		
Owners of the parent	26,835,852	1,119,510
Non-controlling interests	969,704	-
	27,805,556	1,119,510

## DIVIDENDS

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year.

The Directors do not recommend any dividend in respect of the current financial year.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

## ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

## OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

## DIRECTORS' REPORT (CONT'D.)

### DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

#### Microlink Solutions Berhad

Tun Arifin bin Zakaria	
Martin Chu Leong Meng <sup>^</sup>	
Dato' Sri Chee Hong Leong	
Dato' Ahmad Najmi bin Abdul Razak	
Noor Zaliza Yati binti Yahya	
Thong Weng Sheng <sup>^</sup>	(Appointed on 1 November 2023)
Narayanasamy A/L N Chithambaram	(Appointed on 1 March 2024)
Wong Kwang Chwen <sup>^</sup>	(Appointed on 15 March 2024)
Tan Wee Hoong	(Appointed on 5 April 2024)
Danny Hoe Kam Thong	(Appointed on 5 April 2024)
Tan Sri Datuk Seri (Dr) Mazlan bin Lazim	(Resigned on 6 June 2023)
Wan Mai Gan	(Resigned on 10 November 2023)
Tan Sri Jaganath Derek Steven Sabapathy	(Resigned on 12 January 2024)
Tai Keat Chai	(Resigned on 29 May 2024)
Monteiro Gerard Clair	(Resigned on 10 June 2024)

<sup>^</sup> Director of the Company and certain subsidiaries.

#### Subsidiaries of Microlink Solutions Berhad

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year and up to the date of this report is as follows:

Ch'ng Kai Fen	
Gan Khong Kiat	
Nazri bin Ismail	
Ku Azhar bin Ku Abdul Razak	
Ryan John Fernandez	
Ahmad Faiz bin Besah @ Sitam	
Trazender Anak Gunting	
Dato' Seri Mohd Khairi bin Dato' Mat Jahya	
Hong Wye Kean	
Monteiro Gerard Clair	
Ajis	
Nguyen Nhat Binh	
Thong Mei Chuen	
Choo Kok Hua	(Appointed on 19 June 2024)
Ramlee bin Abdullah	(Appointed on 3 July 2023)
Datin Sri Yasmin Hanim Arbee binti Mohammed Isa Arbee	(Appointed on 17 July 2023)
See Kar Fai	(Resigned on 3 July 2023)
Tai Keat Chai	(Resigned on 19 June 2024)
Martin Chu Leong Meng	(Resigned on 19 June 2024)

## DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year ended 31 March 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

Shares in the Company	Number of Ordinary Shares			Balance as at 31.3.2024
	Balance as at 1.4.2023/ date of appointment	Addition	Sold	
<u>Direct interests</u>				
Monteiro Gerard Clair	37,205,296	-	(15,895,272)	21,310,024
Tun Arifin bin Zakaria	1,600,000	1,600,000	(1,100)	3,198,900
Wong Kwang Chwen	168,800	-	-	168,800
Thong Weng Sheng	700	-	-	700
<u>Indirect interest</u>				
Monteiro Gerard Clair <sup>#</sup>	31,464	-	-	31,464

<sup>#</sup> Deemed interest by virtue of his substantial interest in H2O Holdings Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year.

## DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors has received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than those as disclosed in Note 38 to the financial statements.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## DIRECTORS' REMUNERATION

The Directors' remuneration paid to or receivable by the Directors of the Company from the Company and its subsidiaries are as follows:

	Group	Company
	RM	RM
Fees	822,635	660,216
Salaries and other short term employee benefits	664,680	664,680
Benefits-in-kind	60,625	53,125
	1,547,940	1,378,021

## DIRECTORS' REPORT (CONT'D.)

### INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for the Directors, officers and auditors of the Group and of the Company during the financial year.

### OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

#### (I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

#### (II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
  - (i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
  - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made; and
  - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

#### (III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.



## SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 29 April 2024, the Company had incorporated and subscribed for a total of one (1) ordinary share representing 100% of the entire issued and paid-up share capital of Microlink Labs Sdn. Bhd., a company incorporated in Malaysia that is engaged in investment holding activity for total cash consideration of RM1.

## AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2024 were as follows:

	Group	Company
	RM	RM
Statutory audit	248,757	59,500
Other services	5,000	5,000
	253,757	64,500

Signed on behalf of the Board in accordance with a resolution of the Directors.

**Thong Weng Sheng**  
Director

Kuala Lumpur  
29 July 2024

**Wong Kwang Chwen**  
Director

# STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements as set out on pages 12 to 78 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

**Thong Weng Sheng**

Director

**Wong Kwang Chwen**

Director

Kuala Lumpur

29 July 2024

# STATUTORY DECLARATION

I, Thoo W'y-Kit (CA 31394), being the Officer primarily responsible for the financial management of Microlink Solutions Berhad, do solemnly and sincerely declare that the financial statements as set out on pages 12 to 78 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly )  
declared by the abovenamed at )  
Kuala Lumpur this )  
29 July 2024 )

**Thoo W'y-Kit**

Before me:

# INDEPENDENT AUDITORS' REPORT

To the members of Microlink Solutions Berhad (Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Microlink Solutions Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 12 to 78.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **(a) Impairment assessment of goodwill**

The carrying amount of goodwill on consolidation as at 31 March 2024 amounted to RM25,990,417 as disclosed in Note 6 to the financial statements.

We determined this to be a key audit matter as the process of assessing impairment based on the value-in-use method is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow forecasts of the cash generating units ("CGUs") in determining the recoverable amounts. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each CGU.

#### **Audit response**

Our audit procedures included the following:

- (i) compared prior period projections to actual outcomes to assess reliability of management's forecasting process and controls;
- (ii) assessed and evaluated the assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rates used by management by comparing to the weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

## INDEPENDENT AUDITORS' REPORT (CONT'D.)

To the members of Microlink Solutions Berhad (Incorporated in Malaysia)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

#### Key Audit Matters (Cont'd.)

##### **(b) Impairment assessment of software development expenditure**

As at 31 March 2024, the carrying amount of software development expenditure of the Group with impairment indicators was RM64,948,601 as disclosed in Note 7(d) to the financial statements.

We determined this to be a key audit matter as the process of assessing impairment based on the value-in-use method is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow forecasts of the cash generating units ("CGUs") in determining the recoverable amounts. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each CGU.

#### **Audit response**

Our audit procedures included the following:

- (i) compared prior period projections to actual outcomes to assess reliability of management's forecasting process and controls;
- (ii) assessed and evaluated the assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rates used by management by comparing to the weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

##### **(c) Impairment assessment of trade receivables**

Gross trade receivables of the Group as at 31 March 2024, including amounts due from related parties, amounted to RM120,817,793 as disclosed in Note 14 to the financial statements. The Group has further impaired trade receivables amounted to RM11,333,689 during the financial year.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information to assess the expected credit loss allowances.

#### **Audit response**

Our audit procedures performed include the following:

- (i) recomputed the probability of default using historical data and forward-looking information adjustment, applied by the Group;
- (ii) recomputed the correlation coefficient between the macroeconomics indicators set by the Group and historical losses to determine the appropriateness of the forward-looking information used by the Group;
- (iii) inquired of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses; and
- (iv) evaluated management's assessment and explanation on the individually significant trade receivables that were past due as at 31 March 2024 with reference to supporting evidences.

**(d) Impairment assessment of the carrying amount of investments in subsidiaries**

As at 31 March 2024, the net carrying amount of investments in subsidiaries with impairment indicators amounted to RM7,406,214 as disclosed in Note 8(f) to the financial statements.

We determined this to be a key audit matter as the process of assessing impairment based on the value-in-use method is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the affected subsidiaries in determining the recoverable amounts which were based on the value-in-use model. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each subsidiary.

**Audit response**

Our audit procedures included the following:

- (i) compared prior period projections to actual outcomes to assess reliability of management's forecasting process;
- (ii) assessed and evaluated the key assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rates used by management by comparing to the market data, weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

**(e) Impairment assessment of the amounts owing by subsidiaries**

As at 31 March 2024, the gross amounts owing by subsidiaries of the Company were RM143,852,381 and the impairment losses were RM72,713,907 as disclosed in Note 17 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the probability of default by subsidiaries, appropriate forward-looking information and significant increase in credit risk.

**Audit response**

Our audit procedures included the following:

- (i) recomputed probability of default using historical data and forward-looking adjustment applied by the Company;
- (ii) assessed the appropriateness of the indicators of significant increase in credit risk applied by the management and the resultant basis for classification of exposure into respective stages;
- (iii) challenged management on the basis for determining cash flows recoverable, where applicable; and
- (iv) assessed actual loss events subsequent to the end of reporting period for its relationship with the indicators of significant increase in credit risk applied by management.

## INDEPENDENT AUDITORS' REPORT (CONT'D.)

To the members of Microlink Solutions Berhad (Incorporated in Malaysia)

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

## AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

## OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**BDO PLT**  
201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

Kuala Lumpur  
29 July 2024

**Brendan Francis Lim Jern Zhen**  
03591/09/2025 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

As at 31 March 2024

		Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Note					
ASSETS					
Non-current assets					
Property, plant and equipment	5	5,160,154	4,596,042	2,583,823	2,095,263
Goodwill	6	25,990,417	22,663,983	-	-
Software development expenditure	7	100,723,374	111,907,526	951,747	2,055,099
Investments in subsidiaries	8	-	-	35,423,620	35,418,519
Investment in a joint venture	9	-	289,241	-	5,100
Other investments	10	105,000	105,000	-	-
Finance lease receivable	11	770,556	914,536	905,010	1,134,346
Deferred tax assets	12	2,576,303	1,846,954	266,640	266,640
		135,325,804	142,323,282	40,130,840	40,974,967
Current assets					
Inventories and contract costs	13	39,326,402	22,275,262	-	-
Other investments	10	88,996	3,388,221	88,996	702,531
Trade receivables	14	99,539,033	55,040,773	21,720,836	31,966,696
Other receivables, deposits and prepayments	15	23,679,920	31,285,078	746,328	1,903,584
Contract assets	16	32,375,704	36,306,599	-	-
Finance lease receivable	11	195,264	212,395	229,336	212,395
Amounts owing by subsidiaries	17	-	-	71,138,474	43,093,081
Amount owing by a former jointly-controlled entity	18	-	543,526	-	542,653
Current tax assets		11,577,192	10,617,468	700,642	1,594,903
Cash and bank balances	19	13,463,840	33,676,241	12,941	254,296
		220,246,351	193,345,563	94,637,553	80,270,139
TOTAL ASSETS		355,572,155	335,668,845	134,768,393	121,245,106



		Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Note					
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	20	166,259,528	166,259,528	166,259,528	166,259,528
Reserves	21	(527,544)	(214,324)	-	-
Retained earnings/(Accumulated losses)		33,228,066	60,063,918	(52,733,922)	(51,614,412)
		198,960,050	226,109,122	113,525,606	114,645,116
Non-controlling interests	8(d)	(560,709)	130,457	-	-
TOTAL EQUITY		198,399,341	226,239,579	113,525,606	114,645,116
LIABILITIES					
Non-current liabilities					
Provision for gratuity obligations	35	-	-	-	-
Trade payable	26	423,092	-	-	-
Other payables and provision	24	197,365	183,084	197,365	183,084
Lease liabilities	25	3,267,421	4,572,634	2,520,417	3,126,373
Deferred tax liabilities	12	4,923,609	5,448,450	-	-
		8,811,487	10,204,168	2,717,782	3,309,457
Current liabilities					
Trade payables	26	55,238,492	17,353,809	-	-
Other payables and provision	24	29,986,426	24,560,412	2,542,683	1,551,478
Contract liabilities	27	19,403,747	26,038,579	2,998,445	140,857
Amounts owing to subsidiaries	17	-	-	12,328,393	254,177
Amount owing to a former jointly-controlled entity	18	-	1,170,000	-	-
Borrowings	22	41,102,123	28,004,653	-	-
Lease liabilities	25	1,098,551	1,723,113	655,484	1,344,021
Provision for gratuity obligations	35	-	-	-	-
Current tax liabilities		1,531,988	374,532	-	-
		148,361,327	99,225,098	18,525,005	3,290,533
TOTAL LIABILITIES		157,172,814	109,429,266	21,242,787	6,599,990
TOTAL EQUITY AND LIABILITIES		355,572,155	335,668,845	134,768,393	121,245,106

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	30	281,286,892	248,448,515	7,204,107	7,859,796
Cost of sales		(249,845,851)	(177,184,757)	(454,499)	(474,733)
Gross profit		31,441,041	71,263,758	6,749,608	7,385,063
Other operating income		2,620,243	7,652,367	968,809	7,284,902
Distribution costs		(1,218,698)	(1,781,547)	(44,640)	(51,855)
Administrative expenses		(37,659,078)	(37,117,808)	(8,179,317)	(8,081,455)
Other operating expenses		(7,324,952)	(7,035,844)	(1,702,893)	(1,675,526)
Net (losses)/gains on impairment of financial assets		(9,620,795)	338,999	1,485,005	(3,892,959)
Finance costs	32	(3,125,504)	(1,680,552)	(304,868)	(381,695)
Share of profit of a jointly-controlled entity, net of tax	9	-	284,141	-	-
(Loss)/Profit before taxation		(24,887,743)	31,923,514	(1,028,296)	586,475
Taxation	33	(2,917,813)	(5,890,092)	(91,214)	(301,203)
(Loss)/Profit for the financial year		(27,805,556)	26,033,422	(1,119,510)	285,272
<b>Other comprehensive income, net of tax</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translations for foreign operations, net of tax	33(c)	(312,581)	(249,435)	-	-
Total comprehensive (loss)/income		(28,118,137)	25,783,987	(1,119,510)	285,272
(Loss)/Profit attributable to:					
Owners of the parent		(26,835,852)	25,858,677	(1,119,510)	285,272
Non-controlling interests	8(d)	(969,704)	174,745	-	-
		(27,805,556)	26,033,422	(1,119,510)	285,272
Total comprehensive (loss)/ income attributable to:					
Owners of the parent		(27,149,072)	25,606,193	(1,119,510)	285,272
Non-controlling interests	8(d)	(969,065)	177,794	-	-
		(28,118,137)	25,783,987	(1,119,510)	285,272
(Loss)/Earnings per ordinary share attributable to equity holders of the Company:					
Basic (sen)	34	(2.50)	2.42		
Diluted (sen)	34	(2.50)	2.42		

The accompanying notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2024

Group	Note	Non-distributable		Total			Total equity RM
		Share capital RM	Exchange translation reserve RM	Retained earnings RM	attributable to owners of the parent RM	Non-controlling interests RM	
Balance as at 1 April 2023		166,259,528	(214,324)	60,063,918	226,109,122	130,457	226,239,579
Loss for the financial year		-	-	(26,835,852)	(26,835,852)	(969,704)	(27,805,556)
Foreign currency translation for foreign operations, net of tax		-	(313,220)	-	(313,220)	639	(312,581)
Total comprehensive loss		-	(313,220)	(26,835,852)	(27,149,072)	(969,065)	(28,118,137)
<b>Transactions with owners</b>							
Arising from acquisition of control over a subsidiary	8(c)(iv)	-	-	-	-	277,899	277,899
Balance as at 31 March 2024		166,259,528	(527,544)	33,228,066	198,960,050	(560,709)	198,399,341
<b>Balance as at 1 April 2022</b>							
Balance as at 1 April 2022		161,896,279	38,160	39,321,872	201,256,311	480,482	201,736,793
Profit for the financial year		-	-	25,858,677	25,858,677	174,745	26,033,422
Foreign currency translation for foreign operations, net of tax		-	(252,484)	-	(252,484)	3,049	(249,435)
Total comprehensive income		-	(252,484)	25,858,677	25,606,193	177,794	25,783,987
<b>Transactions with owners</b>							
Shares issued pursuant to Employee Share Grant Plan	20	4,363,249	-	-	4,363,249	-	4,363,249
Arising from accretion of equity interests in subsidiary		-	-	227,419	227,419	(302,419)	(75,000)
Dividends paid	36	-	-	(5,344,050)	(5,344,050)	-	(5,344,050)
Dividends paid to non-controlling interest		-	-	-	-	(225,400)	(225,400)
Total transactions with owners		4,363,249	-	(5,116,631)	(753,382)	(527,819)	(1,281,201)
Balance as at 31 March 2023		166,259,528	(214,324)	60,063,918	226,109,122	130,457	226,239,579

The accompanying notes form an integral part of the financial statements.

# STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2024

Company	Note	Non-distributable	Accumulated losses RM	Total equity RM
		Share capital RM		
Balance as at 1 April 2023		166,259,528	(51,614,412)	114,645,116
Loss for the financial year		-	(1,119,510)	(1,119,510)
Other comprehensive income, net of tax		-	-	-
Total comprehensive loss		-	(1,119,510)	(1,119,510)
Balance as at 31 March 2024		166,259,528	(52,733,922)	113,525,606
Balance as at 1 April 2022		161,896,279	(46,555,634)	115,340,645
Profit for the financial year		-	285,272	285,272
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	285,272	285,272
<b>Transactions with owners</b>				
Shares issued pursuant to Employee Share Grant Plan	20	4,363,249	-	4,363,249
Dividends paid	36	-	(5,344,050)	(5,344,050)
Total transactions with owners		4,363,249	(5,344,050)	(980,801)
Balance as at 31 March 2023		166,259,528	(51,614,412)	114,645,116

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

For the financial year ended 31 March 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
(Loss)/Profit before taxation		(24,887,743)	31,923,514	(1,028,296)	586,475
Adjustments for:					
Amortisation of software development expenditure	7	14,171,534	12,882,057	1,103,352	1,017,639
Impairment losses on:					
– trade receivables	14	11,333,689	389,178	–	395,985
– amounts owing by subsidiaries	17(e)	–	–	3,808,575	4,030,116
– other receivables	15(f)	–	3,450	–	–
Interest expense	32	3,125,504	1,680,552	304,868	381,695
Depreciation of property, plant and equipment	5	1,183,810	1,486,160	425,686	585,904
Inventories written off		378,030	–	–	–
Loss on disposal of property, plant and equipment		918	–	–	–
Share options granted under Employee Share Grant Plan		–	4,363,249	–	87,217
Lease concession		–	(5,232)	–	–
Gain on termination of lease contract		(19,433)	(69,823)	–	(33,344)
Other payables and accruals written back		–	(183,451)	–	–
Share of profit of jointly-controlled entity, net of tax	9	–	(284,141)	–	–
Provision for gratuity obligations	35	–	(2,067,883)	–	–
Reversal of impairment losses on:					
– trade receivables	14	(796,653)	(592,397)	(5,293,580)	–
– other receivables	15(f)	(3,450)	–	–	–
– amounts owing by subsidiaries	17(e)	–	–	–	(533,142)
– amount owing by former ultimate holding company		–	(139,230)	–	–
– contract assets	16	(96,021)	–	–	–
Dividend income	30	(4,980)	(86,937)	(4,980)	(6,524,770)
Net unrealised fair value (gain)/loss on other investment		(34,000)	1,905,782	(34,000)	34,000
Loss/(Gain) on lease modification		30,459	(2,699)	–	–
Interest income		(467,321)	(539,868)	(102,095)	(84,198)
Net unrealised (gain)/loss on foreign exchange		(36,121)	9,849	–	–
(Gain)/Loss on disposal of other investment		(975,932)	(5,151,045)	6,465	(634,416)
Operating profit/(loss) before changes in working capital		2,902,290	45,521,085	(814,005)	(690,839)

**STATEMENTS OF CASH FLOWS** (CONT'D.)

For the financial year ended 31 March 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES (Cont'd.)					
Increase in inventories and contract costs		(17,429,170)	(16,509,201)	-	-
(Increase)/decrease in trade and other other receivables		(45,122,541)	(3,729,366)	17,239,349	(409,977)
Decrease/(Increase) in contract assets		4,026,916	(19,020,779)	-	-
Decrease in finance lease receivable		158,612	131,307	212,395	132,804
Increase/(Decrease) in trade and other payables		37,842,955	(507,737)	1,445,586	(2,203,692)
(Decrease)/Increase in contract liabilities		(6,634,832)	8,730,787	2,857,588	(288,075)
Cash (used in)/generated from operations		(24,255,770)	14,616,096	20,940,913	(3,459,779)
Interest received		80,323	71,494	94,339	71,684
Tax paid		(5,908,044)	(10,033,355)	(219,164)	(369,655)
Tax refunded		2,127,733	44,687	1,022,211	-
Net cash (used in)/from operating activities activities		(27,955,758)	4,698,922	21,838,299	(3,757,750)
CASH FLOWS FROM INVESTING ACTIVITIES					
Addition of software development expenditure	7	(2,987,382)	(22,364,216)	-	(55,650)
(Advances to)/Repayments from subsidiaries		-	-	(20,234,133)	7,472,672
Dividend received		4,980	86,937	4,980	321,537
Interest received		386,998	467,254	7,756	12,514
Placement of deposits pledged to licensed banks		(2,330,466)	(966,772)	-	-
Net disposal of other investments		4,309,157	4,332,824	641,070	3,093,514
Acquisition of additional interests in a subsidiary		-	(75,000)	-	-
Purchase of property, plant and equipment	5(b)	(1,783,141)	(446,721)	(799,383)	(27,671)
Proceeds from disposal of property, plant and equipment		1,900	-	-	-
Subscription of newly issued shares in subsidiaries	8	-	-	-	(171,589)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	8	13,304	38,664	(1)	-
Downpayment made for acquisition of investment property		-	(6,000,000)	-	-
Acquisition of interests in a former jointly controlled-entity	9	-	(5,100)	-	(5,100)
Advances to a former jointly-controlled-entity		-	(1,000)	-	(1,000)
Net cash (used in)/from investing activities		(2,384,650)	(24,933,130)	(20,379,711)	10,639,227

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Net drawdowns of borrowings		13,225,909	93,402	–	–
Payments of lease liabilities		(2,309,000)	(3,374,487)	(1,699,943)	(2,445,939)
Interest paid		(2,707,980)	(1,111,040)	–	–
Dividends paid	36	–	(5,344,050)	–	(5,344,050)
Dividends paid to non-controlling interest		–	(225,400)	–	–
Net cash from/(used in) financing activities		8,208,929	(9,961,575)	(1,699,943)	(7,789,989)
Net decrease in cash and cash equivalents		(22,131,479)	(30,195,783)	(241,355)	(908,512)
Cash and cash equivalents at beginning of financial year		25,742,172	56,151,670	254,296	1,162,808
Effect of changes in exchange rates		(282,949)	(213,715)	–	–
Cash and cash equivalents at end of financial year	19(d)	3,327,744	25,742,172	12,941	254,296

## RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>(i) Borrowings*</b>					
As at 1 April 2023/2022		25,527,019	25,433,617	-	-
Cash flows		13,225,909	93,402	-	-
As at 31 March 2024/2023	22	38,752,928	25,527,019	-	-
<b>(ii) Lease liabilities</b>					
As at 1 April 2023/2022		6,295,747	6,790,404	4,470,394	4,653,316
Cash flows		(2,309,000)	(3,374,487)	(1,699,943)	(2,445,939)
Non-cash flows					
- Addition of leases		158,568	2,869,895	114,863	2,029,374
- Unwinding of interest		403,243	543,976	290,587	356,159
- Lease modification		27,765	141,456	-	-
- Lease concessions		-	(5,232)	-	-
- Lease termination		(210,351)	(670,265)	-	(122,516)
As at 31 March 2024/2023	25	4,365,972	6,295,747	3,175,901	4,470,394
Total liabilities from financing activities		43,118,900	31,822,766	3,175,901	4,470,394

\* For reconciliation of liabilities arising from financing activities purpose, the bank overdraft has been excluded from the borrowings as cash and cash equivalents include bank overdraft.

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

31 March 2024

## 1. CORPORATE INFORMATION

Microlink Solutions Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia.

On 27 February 2023, the listing of and quotation for the entire issued share capital of the Company has been officially transferred from the ACE Market to the Main Market of Bursa Securities. The Company is also a Multimedia Super Corridor ("MSC") status company.

The registered office of the Company is located at Ho Hup Tower - Aurora Place 02-07-01 - Level 7, Plaza Bukit Jalil, No 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.

The principal place of business of the Company is located at Ho Hup Tower - Aurora Place 02-08-01, Level 8, Plaza Bukit Jalil, No 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.

The consolidated financial statements for the financial year ended 31 March 2024 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 29 July 2024.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of research and development on information technology solutions to the financial services industry. The principal activities and the details of the subsidiaries are disclosed in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 41.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.



## 4. OPERATING SEGMENTS

The Company and its subsidiaries in Malaysia are principally engaged in financial services, enterprise solutions, distribution services and solution delivery for computer software solutions whilst its subsidiaries in Singapore, Indonesia, Vietnam and Bahrain are principally engaged in financial services and enterprise solutions.

### (a) Business segments

The Group has arrived at four (4) reportable segments that are organised and managed separately according to the nature of products and services, which require different business and marketing strategies. The reportable segments are summarised as follows:

#### (i) Financial Services

Provision of business and technical services for financial institutions.

#### (ii) Enterprise Solutions

Provision of emerging technologies for enterprise.

#### (iii) Distribution Services

Distribution and maintenance of computer equipment and software.

#### (iv) Solution Delivery

Provision of project and software solutions delivery services.

The Group evaluates performance on the basis of profit or loss from operations before tax.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the financial year.

The inter-segments assets are adjusted against the segment assets to arrive at total assets reported in the statements of financial position.

The inter-segment liabilities are adjusted against the segment liabilities to arrive at total liabilities reported in the statements of financial position.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 4. OPERATING SEGMENTS (CONT'D.)

(a) Business segments (Cont'd.)

2024	Financial Services RM	Enterprise Solutions RM	Distribution Services RM	Solution Delivery RM	Elimination RM	Consolidation RM
<b>Revenue</b>						
External sales	40,217,565	56,635,753	180,765,972	3,667,602	-	281,286,892
Inter-segment sales	13,198,684	430,125	6,409,780	290,063	(20,328,652)	-
<b>Total revenue</b>	<b>53,416,249</b>	<b>57,065,878</b>	<b>187,175,752</b>	<b>3,957,665</b>	<b>(20,328,652)</b>	<b>281,286,892</b>
<b>Results</b>						
Interest income	305,438	2,308	178,465	317	(19,207)	467,321
Reversal of impairment losses on:						
- trade receivables	5,740,233	350,000	-	-	(5,293,580)	796,653
- amount owing by immediate holding company	-	-	632,188	-	(632,188)	-
- amounts owing by related companies	965,752	106,000	394,248	11,436	(1,477,436)	-
- other receivables	-	-	-	3,450	-	3,450
- contract assets	-	-	-	96,021	-	96,021
Amortisation of software development expenditure	(6,925,309)	(7,329,366)	-	(758,160)	841,301	(14,171,534)
Depreciation of property, plant and equipment	(937,849)	(60,278)	(169,972)	(48,513)	32,802	(1,183,810)
Impairment losses on:						
- trade receivables	(3,493,801)	(7,839,888)	-	-	-	(11,333,689)
- amounts owing by subsidiaries	(3,808,575)	-	-	-	3,808,575	-
- amounts owing by related companies	(4,961,413)	-	-	(1,449,026)	6,410,439	-
Interest expense	(1,397,137)	(199,760)	(1,549,177)	(914)	21,484	(3,125,504)
Taxation	(738,741)	1,456,271	(2,267,465)	(126,518)	(1,241,360)	(2,917,813)
<b>Segment (loss)/profit before tax</b>	<b>(13,210,642)</b>	<b>(22,353,392)</b>	<b>8,998,600</b>	<b>(809,002)</b>	<b>2,486,693</b>	<b>(24,887,743)</b>
Capital expenditure (exclude right-of-use assets)	1,137,006	469,943	176,192	-	-	1,783,141
Software development expenditure	1,187,999	1,829,383	-	-	(30,000)	2,987,382
<b>Segment assets</b>	<b>273,128,236</b>	<b>112,020,590</b>	<b>126,148,798</b>	<b>26,530,059</b>	<b>(182,255,528)</b>	<b>355,572,155</b>
<b>Segment liabilities</b>	<b>178,179,632</b>	<b>105,704,505</b>	<b>143,200,616</b>	<b>18,418,763</b>	<b>(288,330,702)</b>	<b>157,172,814</b>

#### 4. OPERATING SEGMENTS (CONT'D.)

(a) Business segments (Cont'd.)

2023	Financial Services RM	Enterprise Solutions RM	Distribution Services RM	Solution Delivery RM	Elimination RM	Consolidation RM
<b>Revenue</b>						
External sales	64,954,195	58,954,931	122,739,389	1,800,000	-	248,448,515
Inter-segment sales	15,187,966	849,618	9,832,797	431,747	(26,302,128)	-
<b>Total revenue</b>	<b>80,142,161</b>	<b>59,804,549</b>	<b>132,572,186</b>	<b>2,231,747</b>	<b>(26,302,128)</b>	<b>248,448,515</b>
<b>Results</b>						
Interest income	238,361	141,067	167,382	3,708	(10,650)	539,868
Dividend income	6,524,770	-	-	-	(6,437,833)	86,937
Reversal of impairment losses on:						
- amounts owing by former ultimate holding company	-	38,436	794	100,000	-	139,230
- trade receivables	6,615,333	505,989	581	72,507	(6,602,013)	592,397
- amounts owing by subsidiaries	533,142	-	-	-	(533,142)	-
Realised gain on disposal of other investment	5,151,045	-	-	-	-	5,151,045
Net unrealised fair value loss on other investment	(1,905,782)	-	-	-	-	(1,905,782)
Amortisation of software development expenditure	(6,584,444)	(6,433,410)	-	(653,076)	788,873	(12,882,057)
Depreciation of property, plant and equipment	(1,021,511)	(33,530)	(415,756)	(36,076)	20,713	(1,486,160)
Impairment losses on:						
- amounts owing by subsidiaries	(4,426,101)	-	-	-	4,426,101	-
- trade receivables	-	(389,178)	-	-	-	(389,178)
- other receivables	-	-	-	(3,450)	-	(3,450)
- amounts owing by related parties	(1,099,052)	(242,526)	(682,691)	(138,365)	2,162,634	-
Interest expense	(759,041)	(71,372)	(858,694)	(2,095)	10,650	(1,680,552)
Taxation	(3,143,578)	(2,260,142)	(633,087)	146,715	-	(5,890,092)
<b>Segment profit/(loss) before tax</b>	<b>24,983,724</b>	<b>12,826,792</b>	<b>1,195,484</b>	<b>(964,082)</b>	<b>(6,118,404)</b>	<b>31,923,514</b>
Capital expenditure (exclude right-of-use assets)	258,299	71,973	112,050	124,260	(119,861)	446,721
Software development expenditure	9,392,542	12,512,080	-	512,094	(52,500)	22,364,216
<b>Segment assets</b>	<b>221,781,680</b>	<b>128,294,044</b>	<b>99,412,764</b>	<b>25,812,254</b>	<b>(139,631,897)</b>	<b>335,668,845</b>
<b>Segment liabilities</b>	<b>118,605,066</b>	<b>95,295,836</b>	<b>123,195,718</b>	<b>16,765,438</b>	<b>(244,432,792)</b>	<b>109,429,266</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 4. OPERATING SEGMENTS (CONT'D.)

## (b) Geographical segments

	Revenue RM	Segment assets RM	Segment liabilities RM	Capital and software development expenditure RM	Depreciation and amortisation RM
<b>2024</b>					
Malaysia	264,264,130	350,990,870	151,495,314	4,770,523	15,311,472
Overseas	17,022,762	4,581,285	5,677,500	-	43,872
	281,286,892	355,572,155	157,172,814	4,770,523	15,355,344
<b>2023</b>					
Malaysia	237,009,131	332,036,336	108,083,459	22,810,937	14,368,217
Overseas	11,439,384	3,632,509	1,345,807	-	-
	248,448,515	335,668,845	109,429,266	22,810,937	14,368,217

Geographical segments of the Group are presented based on the physical geographical locations of customers of subsidiaries of the Group.

## (c) Major customers

The following are major customers with revenue equal to or more than ten per centum (10%) of the group revenue:

	Group			
	2024		2023	
	RM	%	RM	%
Customer A				
- Enterprise solutions	-	-	26,513,909	11
Customer B				
- Distribution services	31,336,426	11	-	-
	31,336,426	11	26,513,909	11

## 5. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.4.2023 RM	Lease modification RM	Lease termination RM	Additions RM	Disposal RM	Depreciation charge for the financial year RM	Exchange adjustments RM	Balance as at 31.3.2024 RM
<b>Carrying amount</b>								
Buildings	2,560,342	(195)	-	114,863	-	(584,964)	-	2,090,046
- Right-of-use assets	2,505	-	-	9,247	-	(1,639)	-	10,113
Furniture and fittings	10,239	-	-	203,910	-	(15,061)	-	199,088
Office equipment	579,241	-	-	804,017	(2,818)	(212,651)	-	1,167,789
Computer software and hardware	59,246	-	-	43,705	-	(63,012)	-	39,939
- Owned	14,924	-	-	-	-	(358)	144	14,710
- Right-of-use assets	1,369,545	-	(190,918)	-	-	(306,125)	-	872,502
Renovations	-	-	-	765,967	-	-	-	765,967
Motor vehicles								
- Right-of-use assets								
Capital work-in-progress	4,596,042	(195)	(190,918)	1,941,709	(2,818)	(1,183,810)	144	5,160,154

Group	As at 31.3.2024		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings	4,288,685	(2,198,639)	2,090,046
- Right-of-use assets	185,832	(175,719)	10,113
Furniture and fittings	269,160	(70,072)	199,088
Office equipment	4,285,830	(3,118,041)	1,167,789
Computer software and hardware	503,027	(463,088)	39,939
- Owned	191,991	(177,281)	14,710
- Right-of-use assets	20,800	(20,800)	-
Renovations	2,255,154	(1,382,652)	872,502
Motor vehicles	765,967	-	765,967
- Owned			
- Right-of-use assets			
Capital work-in-progress	12,766,446	(7,606,292)	5,160,154

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Group	Balance as at 1.4.2022 RM	Lease modification RM	Lease termination RM	Additions RM	Written off RM	Depreciation charge for the financial year RM	Exchange adjustments RM	Balance as at 31.3.2023 RM
<b>Carrying amount</b>								
Buildings								
- Right-of-use assets	2,152,158	144,155	-	771,136	*	(507,107)	-	2,560,342
Furniture and fittings	3,609	-	-	-	-	(1,104)	-	2,505
Office equipment	8,877	-	-	6,000	-	(4,638)	-	10,239
Computer software and hardware								
- Owned	282,192	-	-	440,721	-	(143,672)	-	579,241
- Right-of-use assets	202,148	-	-	-	-	(142,902)	-	59,246
Renovations	15,186	-	-	-	-	(358)	96	14,924
Motor vehicles								
- Right-of-use assets	1,815,845	-	(600,442)	840,521	-	(686,379)	-	1,369,545
	4,480,015	144,155	(600,442)	2,058,378	*	(1,486,160)	96	4,596,042

\* Refers to the expiration of lease contract.

Group	As at 31.3.2023		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	4,199,381	(1,639,039)	2,560,342
Furniture and fittings	176,585	(174,080)	2,505
Office equipment	67,340	(57,101)	10,239
Computer software and hardware			
- Owned	3,485,489	(2,906,248)	579,241
- Right-of-use assets	459,322	(400,076)	59,246
Renovations	191,847	(176,923)	14,924
Motor vehicles			
- Owned	20,800	(20,800)	-
- Right-of-use assets	2,713,358	(1,343,813)	1,369,545
	11,314,122	(6,718,080)	4,596,042

## 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Company	Balance as at 1.4.2023 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.3.2024 RM
<b>Carrying amount</b>				
Buildings				
- Right-of-use assets	2,038,581	114,863	(409,190)	1,744,254
Furniture and fittings	4	9,247	(534)	8,717
Office equipment	6	-	-	6
Computer software and hardware	56,672	24,169	(15,962)	64,879
Capital work-in-progress	-	765,967	-	765,967
	2,095,263	914,246	(425,686)	2,583,823

Company	As at 31.3.2024		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	3,379,051	(1,634,797)	1,744,254
Furniture and fittings	36,894	(28,177)	8,717
Office equipment	31,368	(31,362)	6
Computer software and hardware	302,050	(237,171)	64,879
Motor vehicles			
- Right-of-use assets	460,000	(460,000)	-
Capital work-in-progress	765,967	-	765,967
	4,975,330	(2,391,507)	2,583,823

Company	Balance as at 1.4.2022 RM	Additions RM	Lease termination RM	Written off RM	Depreciation charge for the financial year RM	Balance as at 31.3.2023 RM
<b>Carrying amount</b>						
Buildings						
- Right-of-use assets	1,865,651	549,829	-	*	(376,899)	2,038,581
Furniture and fittings	4	-	-	-	-	4
Office equipment	6	-	-	-	-	6
Computer software and hardware	39,937	27,671	-	-	(10,936)	56,672
Motor vehicles						
- Right-of-use assets	287,241	-	(89,172)	-	(198,069)	-
	2,192,839	577,500	(89,172)	*	(585,904)	2,095,263

\* Refers to the expiration of lease contract.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Company	As at 31.3.2023		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	3,264,188	(1,225,607)	2,038,581
Furniture and fittings	27,647	(27,643)	4
Office equipment	31,368	(31,362)	6
Computer software and hardware	277,881	(221,209)	56,672
Motor vehicles			
- Right-of-use assets	460,000	(460,000)	-
	4,061,084	(1,965,821)	2,095,263

(a) Property, plant and equipment excluding right-of-use assets

All items of property, plant and equipment excluding right-of-use assets are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

After initial recognition, property, plant and equipment excluding right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the industry within which the Group operates. The principal annual depreciation rates of property, plant and equipment, except for right-of-use assets are as follows:

Furniture and fittings	15% - 20%
Office equipment	15% - 20%
Computer software and hardware	20% - 25%
Renovations	10% - 20%
Motor vehicles	20%

Capital work-in-progress represents computer software and hardware in progress not depreciated until the assets are ready for their intended use.

At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write-down is made if the carrying amount exceeds the recoverable amount.

Right-of-use assets under property, plant and equipment

Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Buildings	2 - 10 years
Computer software and hardware	2 - 5 years
Motor vehicles	2 - 4 years



## 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

- (b) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Purchase of property, plant and equipment	1,941,709	2,058,378	914,246	577,500
Financed by lease liabilities	(158,568)	(1,611,657)	(114,863)	(549,829)
Cash payments on purchase of property, plant and equipment	1,783,141	446,721	799,383	27,671

## 6. GOODWILL

	Group	
	2024 RM	2023 RM
<b>Cost</b>		
At beginning of financial year	22,727,894	18,473,370
Acquisition of a subsidiary	3,326,434	4,254,524
At end of financial year	26,054,328	22,727,894
<b>Accumulated impairment losses</b>		
At beginning/end of financial year	(63,911)	(63,911)
<b>Net carrying amount</b>	25,990,417	22,663,983

- (a) Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.
- (b) Goodwill has been allocated to the cash generating units ("CGUs") of the Group based on the following reportable segments:

	Group	
	2024 RM	2023 RM
Financial Services	10,398,810	7,072,376
Enterprise Solutions	3,449,874	3,449,874
Distribution Services	8,672,340	8,672,340
Solution Delivery	3,469,393	3,469,393
	25,990,417	22,663,983

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 6. GOODWILL (CONT'D.)

- (c) Impairment assessment on the carrying amount of goodwill is performed at least on an annual basis. The Directors have made significant judgements and estimates about the future results and key assumptions applied to cash flow forecasts of the CGUs in determining its recoverable amount.

Recoverable amounts of goodwill for both financial years have been determined based on the value-in-use of the CGU, using the following assumptions:

- (i) Cash flow forecasts based on approved financial budgets covering a five (5) year period;
- (ii) Pre-tax discount rate of the Group of 9.72% (2023: 11.0%) per annum;
- (iii) Forecasted growth rate of 5.0% (2023: 5.0% to 6.0%) based on past performance of the segment;
- (iv) Terminal value based on the fifth year cash flow without incorporating any growth rate; and
- (v) Projected profit margins based on historical profit margins achieved.

Management believes that there is no reasonably possible change in the key assumptions on which management has based its determination of the CGUs' recoverable amounts, which would cause the CGUs' carrying amounts to materially exceed their recoverable amounts.

## 7. SOFTWARE DEVELOPMENT EXPENDITURE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>At cost</b>				
As at 1 April 2023/2022	159,798,087	137,433,871	32,303,188	32,247,538
Additions	2,987,382	22,364,216	–	55,650
As at 31 March 2024/2023	162,785,469	159,798,087	32,303,188	32,303,188
<b>Accumulated amortisation</b>				
As at 1 April 2023/2022	(47,477,838)	(34,595,781)	(29,808,367)	(28,790,728)
Amortisation during the financial year	(14,171,534)	(12,882,057)	(1,103,352)	(1,017,639)
As at 31 March 2024/2023	(61,649,372)	(47,477,838)	(30,911,719)	(29,808,367)
<b>Accumulated impairment losses</b>				
As at 31 March 2024/2023	(412,723)	(412,723)	(439,722)	(439,722)
Carrying amount	100,723,374	111,907,526	951,747	2,055,099

- (a) Software development expenditure are intangible assets with finite useful lives that are measured after initial recognition at cost less any accumulated amortisation and any accumulated impairment losses.
- (b) Software development expenditure comprises purchase software, salaries of personnel involved in development projects and related overheads incurred directly in the development of software. Software development expenditure are charged to profit or loss in the financial year in which it is incurred except for that relating to specific projects intended for commercial exploitation where it is expected to generate future economic benefits and can reasonably be recovered from related future revenue. Such development expenditure is amortised on a straight-line method over a period of five (5) to ten (10) years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

## 7. SOFTWARE DEVELOPMENT EXPENDITURE (CONT'D.)

- (c) During the financial year, the Group and the Company made cash payments of RM2,987,382 (2023: RM22,364,216) and RMNil (2023:RM55,650) respectively for the addition of software development expenditure.

- (d) Impairment assessment

The Group assessed whether there were any indicators of impairment during the financial year. In doing this, management considered the current environment and performance of the cash generating units ("CGUs"). The carrying amount of the software development expenditure in the Group with indications of impairment amounted to RM64,948,601 as at 31 March 2024.

Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining their recoverable amounts using the value-in-use model. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rate. The Group has determined that the recoverable amounts are in excess of the carrying amounts of the software development expenditure and no further impairment has been recorded in the current financial year.

## 8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM	2023 RM
Unquoted shares, at cost	35,784,071	35,778,970
Less: Accumulated impairment losses	(360,451)	(360,451)
	35,423,620	35,418,519

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in separate financial statements of the Company at cost less impairment losses, if any.

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' shares of subsequent changes in equity.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(b) Details of the subsidiaries are as follows:

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries				
Microlink Systems Sdn. Bhd. (“MSSB”)	Malaysia	100	100	Provision of information technology solutions to the financial services industry and dealing in related products
CA IT Infrastructure Solutions Sdn. Bhd. (“CAIT”)	Malaysia	100	100	Trading and marketing of computer software programs and products
Microlink Innovation Sdn. Bhd. (“MISB”)	Malaysia	100	100	Provision of research and development for information technology solutions to the financial services industry
CSA Servis (M) Sdn. Bhd. (“CSAS”)	Malaysia	100	100	Investment holding and provision of computer repair and maintenance service, supply of computer parts, accessories, computers and peripherals
Omesti Innovation Lab (Malaysia) Sdn. Bhd. (“OIL”)	Malaysia	100	100	Development of information and multimedia technology and provision of deployment services
PT Microlink Indonesia (“PTMI”)®	Republic of Indonesia	100	100	Provision of information technology solutions to the financial services industry and dealing in related products
Microlink Software Sdn. Bhd. (“MSB”)	Malaysia	51	51	Provision of consultancy services in supporting and modifying banking software
ML Tridimas Sdn. Bhd. (“MLTSB”)	Malaysia	100	100	Development of application software, system integration services and the provision of hardware and software maintenance services.
Dhanalynk Sdn. Bhd.	Malaysia	100	100	Development of application software, system integration services and the provision of hardware and software maintenance services.
Microlink Solution WLL	Kingdom of Bahrain	100	100	Provision of computer programming, computer consultancy and computer facilities management and management consultancy services.

## 8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(b) Details of the subsidiaries are as follows: (Cont'd.)

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries (Cont'd.)				
Microlink Solutions Pte. Ltd. ("MSPL") (Formerly known as Formis Labs Singapore Pte. Ltd.) <sup>@</sup>	Singapore	100	100	Distributing and marketing online video surveillance and analytics services.
Microlink Solutions Vietnam Limited ("MSVL") (Formerly known as Omesti Vietnam Company Limited) <sup>@</sup>	Vietnam	100	–	Consulting services, software implementation services, data processing services, database services and maintenance services.
Microlink Kinexure Sdn. Bhd. ("MKSB")	Malaysia	51	–	Provision of information technology management and consultancy services
Subsidiary of MSSB				
PT Microlink International Maju ("PTMIM") <sup>@</sup>	Republic of Indonesia	65	65	Provision of information technology solutions to the financial services industry and dealing in related products
Subsidiaries of CSAS				
Formis Systems & Technology Sdn. Bhd. ("FST")	Malaysia	100	100	Distribution and maintenance of computer hardware and software
First Solution Sdn. Bhd. ("FIRST")	Malaysia	100	100	Distribution and maintenance of computer hardware and software
Applied Business Systems Sdn. Bhd. ("ABS")	Malaysia	100	100	Distribution and maintenance of computer hardware and software
Formis Computer Services Sdn. Bhd. ("FCS")	Malaysia	100	100	Provision of computer technology and maintenance of computer hardware and software
Formis Advanced Systems Sdn. Bhd. ("FAS")	Malaysia	100	100	Provision of information technology services in terms of hardware, software, consultancy and maintenance

<sup>®</sup> Subsidiaries not audited by BDO PLT or BDO PLT member firms.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Other details of investments in subsidiaries:

## (i) Incorporation of a subsidiary

In the previous financial year, the Company had incorporated and subscribed for a total of one (1) ordinary share representing 100% of the entire issued and paid-up share capital of Microlink Solutions WLL., a company incorporated in Kingdom of Bahrain that is engaged in the provision of computer programming, computer consultancy and computer facilities management and management consultancy services for RM171,589.

## (ii) Increase in investment in subsidiaries

## (1) Acquisition of MSPL

In the previous financial year, the Company had acquired 100 ordinary shares, representing 100% of the entire issued and paid-up share capital of MSPL, a company incorporated in Singapore that is engaged in distributing and marketing online video surveillance and analytics services, for a total cash consideration of RM1.

Following the transaction, goodwill amounting RM4,254,524 was recognised based on provisional fair value of identifiable assets and liabilities on the acquisition of MSPL. There were no changes in the fair value of identifiable assets and liabilities of MSPL during the financial year.

Fair values of the identifiable assets and liabilities acquired were as follows:

	Net carrying amount RM
<b>Assets</b>	
Cash and bank balances	38,665
<b>Liabilities</b>	
Other payables and accruals	41,067
Amount owing to former ultimate holding company	3,562,140
Amount owing to former immediate holding company	6,832
Amounts owing to related parties	683,149
	4,293,188
Total identifiable net liabilities at provisional fair value	(4,254,523)
Provisional goodwill arising on acquisition	4,254,524
Total consideration	1

The effect on the acquisition of MSPL on cash flows is as follows:

	RM
Total cash consideration	1
Less: Cash and cash equivalents of a subsidiary acquired	(38,665)
Net cash inflow on acquisition	(38,664)

The revenue and profit or loss of MSPL for financial year ended 31 March 2023 or since the date of acquisition did not have any material effect on the financial results of the Group.

## 8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Other details of investments in subsidiaries: (Cont'd.)

(ii) Increase in investment in subsidiaries (Cont'd.)

(2) Acquisition of MSVL

During the financial year, the Company had acquired 421,879 ordinary shares, representing 100% of the entire issued and paid-up share capital of MSVL, a company incorporated in Vietnam that is engaged in consulting services, software implementation services, data processing services, databases services and maintenance services, for a total cash consideration of RM1.

Following the transaction, goodwill amounting RM3,326,434 was recognised based on fair values of identifiable assets and liabilities on the acquisition of MSVL.

Fair values of the identifiable assets and liabilities acquired were as follows:

	Net carrying value RM
<b>Assets</b>	
Other receivables, deposits and prepayments	285,098
Cash and bank balances	2,323
	287,421
<b>Liabilities</b>	
Other payables and accruals	266,445
Amount owing to former ultimate holding company	6,311
Amount owing to former immediate holding company	3,341,098
	3,613,854
Total identifiable net liabilities at provisional fair value	(3,326,433)
Provisional goodwill arising on acquisition	3,326,434
Total consideration	1

The effect on the acquisition of MSVL on cash flows is as follows:

	RM
Total cash consideration	1
Less: Cash and cash equivalents of a subsidiary acquired	(2,323)
Net cash inflow on acquisition	(2,322)

The revenue and profit or loss of MSVL for financial year ended 31 March 2024 or since the date of acquisition did not have any material effect on the financial results of the Group.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Other details of investments in subsidiaries: (Cont'd.)

(iii) Accretion of equity interest in a subsidiary

In the previous financial year, CSAS, a wholly owned subsidiary of the Company acquired 75,000 ordinary shares, representing 15% of the total issued and paid-up share capital of FAS for a total cash consideration of RM75,000. Following the acquisition, FAS became a wholly-owned subsidiary of CSAS.

(iv) Acquisition of control over a subsidiary

During the financial year, the Company acquired control over a joint venture, MKSB, as the Company obtained control over the Board of Directors and the power to govern the relevant activities of MKSB despite the Company's effective interest in MKSB remained at 51%.

The gain on deemed disposal of joint venture upon obtaining control over MKSB is as follows:

	RM
<b>Gain on deemed disposal of joint venture</b>	
Fair value of previously held interest	289,241
Less: Carrying amount of joint venture	(289,241)
	-

Goodwill on acquisition of control over a subsidiary is as follows:

	RM
<b>Goodwill</b>	
Fair value of previously held interest	289,241
Add: Fair value of non-controlling interest	277,899
	567,140
Less: Fair value of net assets of MKSB	(567,140)
	-

The effect on the acquisition of control over MKSB on cash flows is as follows:

	RM
Total cash consideration	-
Less: Cash and cash equivalents of a subsidiary acquired	(10,982)
Net cash inflow on acquisition of control	(10,982)



## 8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows:

	MSB RM	MKSB RM	PTMIM RM	Total RM
<b>2024</b>				
NCI percentage of ownership interest and voting interest	49%	49%	35%	
Carrying amount of NCI	62,744	(686,834)	63,381	(560,709)
Loss allocated to NCI	(4,932)	(964,733)	(39)	(969,704)
Total comprehensive (loss)/ income allocated to NCI	(4,932)	(964,733)	600	(969,065)

	MSB RM	FAS RM	PTMIM RM	Total RM
<b>2023</b>				
NCI percentage of ownership interest and voting interest	49%	0%	35%	
Carrying amount of NCI	67,676	-	62,781	130,457
(Loss)/Profit allocated to NCI	(5,293)	302,276	(122,238)	174,745
Total comprehensive (loss)/ income allocated to NCI	(5,293)	302,276	(119,189)	177,794

(e) Summarised financial information of the subsidiaries that have material NCI as at the end of each reporting period prior to intra-group elimination are as follows:

	MSB RM	MKSB RM	PTMIM RM	Total RM
<b>2024</b>				
<b>Assets and liabilities</b>				
Non-current assets	2	11,642	14,304	25,948
Current assets	132,597	4,027,402	427,039	3,612,182
Current liabilities	(4,550)	(5,440,746)	(260,253)	(5,297,833)
Net assets	128,049	(1,401,702)	181,090	(1,659,703)

	MSB RM	PTMIM RM	Total RM
<b>2023</b>			
<b>Assets and liabilities</b>			
Non-current assets	2	14,160	14,162
Current assets	142,413	422,850	565,263
Current liabilities	(4,300)	(257,633)	(261,933)
Net assets	138,115	179,377	317,492

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 8. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

- (e) Summarised financial information of the subsidiaries that have material NCI as at the end of each reporting period prior to intra-group elimination are as follows: (Cont'd.)

	MSB RM	MKSB RM	PTMIM RM	Total RM
<b>2024</b>				
<b>Results</b>				
Revenue	-	1,800,000	-	1,800,000
Loss for the financial year	(10,066)	(1,968,842)	(113)	(1,979,021)
Total comprehensive (loss)/income	(10,066)	(1,968,842)	1,713	(1,977,195)
Cash flow (used in)/from:				
- operating activities	(14,028)	(1,715,098)	-	(1,729,126)
- investing activities	1,337	1,717,205	(21)	1,718,521
- financing activities	-	-	-	-
Net (decrease)/increase in cash and cash equivalents	(12,691)	2,107	(21)	(10,605)

	MSB RM	PTMIM RM	Total RM
<b>2023</b>			
<b>Results</b>			
Revenue	2,500	-	2,500
Loss for the financial year	(10,802)	(349,252)	(360,054)
Total comprehensive loss	(10,802)	(340,538)	(351,340)
Cash flow from/(used in):			
- operating activities	21,316	(58)	21,258
- investing activities	-	-	-
- financing activities	(460,000)	-	(460,000)
Net decrease in cash and cash equivalents	(438,684)	(58)	(438,742)

- (f) The Company assessed whether there were any indicators of impairment during the financial year. In doing this, management considered the current environments and performance of the subsidiaries. Management has considered the shareholders' deficit as at financial year end in certain subsidiaries as an impairment indicators. The carrying amount of these subsidiaries was RM7,406,214 (2023: RM7,401,113).

The Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the affected subsidiaries in determining their recoverable amounts using the value-in-use model. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each subsidiary. Management has determined that the recoverable amounts are in excess of the carrying amounts of the investments in subsidiaries and no further impairment has been recorded in the current financial year.

## 9. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unquoted equity shares, at cost	-	5,100	-	5,100
Share of post-acquisition reserves	-	284,141	-	-
	-	289,241	-	5,100

(a) In the previous financial year, the Group recognised its interest in a joint venture as an investment and accounted for that investment using the equity method.

(b) Details of the joint venture were as follows:

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2024 %	2023 %	
<b>Joint venture with Kinexure Sdn. Bhd.</b>				
Microlink Kinexure Sdn. Bhd. <sup>#</sup>	Malaysia	-	51	Provision of information technology management and consultancy services

<sup>#</sup> Incorporated on 27 December 2022.

(c) During the financial year, the joint venture has become a subsidiary as disclosed in Note 8(c) (iv) to the financial statements.

## 10. OTHER INVESTMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>				
Transferable club memberships	105,000	105,000	-	-
<b>Current</b>				
Equity securities:				
- Quoted income funds in Malaysia	88,996	86,031	88,996	86,031
- Quoted shares in Malaysia	-	3,302,190	-	616,500
	88,996	3,388,221	88,996	702,531
	193,996	3,493,221	88,996	702,531

**NOTES TO THE FINANCIAL STATEMENTS** (CONT'D.)

31 March 2024

**10. OTHER INVESTMENTS (CONT'D.)**

- (a) The equity securities and transferable club memberships are classified as financial assets at fair value through profit or loss.
- (b) The fair values of transferable club memberships are estimated based on references to current available counter party quotations of the same investments.
- (c) The fair values of quoted income funds in Malaysia are determined by reference to the exchange quoted market bid prices at the end of each reporting period.
- (d) The table below analyses the Group's and the Company's financial instruments at the end of the reporting period which are measured at fair value by the various levels within a fair value hierarchy:

Group	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
<b>2024</b>						
Equity securities						
- Quoted income funds	88,996	-	-	88,996	88,996	88,996
Transferable golf club memberships	-	-	105,000	105,000	105,000	105,000
<b>2023</b>						
Equity securities						
- Quoted income funds	86,031	-	-	86,031	86,031	86,031
- Quoted shares	3,302,190	-	-	3,302,190	3,302,190	3,302,190
Transferable golf club memberships	-	-	105,000	105,000	105,000	105,000

  

Company	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
<b>2024</b>						
Equity securities						
- Quoted income funds	88,996	-	-	88,996	88,996	88,996
<b>2023</b>						
Equity securities						
- Quoted income funds	86,031	-	-	86,031	86,031	86,031
- Quoted shares	616,500	-	-	616,500	616,500	616,500

## 10. OTHER INVESTMENTS (CONT'D.)

- (e) Sensitivity analysis of quoted shares against stock indices are not disclosed as it is immaterial for the Group and the Company.

As the Group and the Company neither have the intention, nor historical trend of active trading in transferable golf club memberships and quoted income funds, the Directors are of the opinion that the Group and the Company are not subject to significant exposure to price risk and accordingly, no sensitivity analysis is being presented at the end of each reporting period.

- (d) There is no transfer between levels in the hierarchy during the financial year.
- (f) The valuation technique and significant unobservable input used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between key unobservable inputs and fair value, is detailed in the table below:

Financial asset	Valuation technique used	Significant unobservable input	Inter-relationship between key unobservable inputs and fair value
Transferable golf club memberships	Market comparison method	Counter party quotation	The higher the quotation, the higher the fair value of the other investment

## 11. FINANCE LEASE RECEIVABLE

- (a) Finance lease receivable is classified as financial asset measured at amortised cost.
- (b) The Group is an intermediate lessor in the sublease of building. The subleases are classified as finance leases with reference to the right-of-use assets arising from the head leases. The Group derecognises the underlying assets and recognises receivables at an amount equal to net investments in finance leases. Net investments in the finance leases are measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset.
- (c) Interest income from lease receivable is recognised in the profit or loss using the effective interest rate method. Finance lease receivables bear interest of 7.70% (2023: 7.70%) per annum.
- (d) All finance lease receivable of the Group is denominated in RM.
- (e) The finance lease receivable is subject to a fixed weighted average effective interest rate of 7.70% (2023: 7.70%) per annum. Sensitivity analysis for fixed rate receivables as at the end of the reporting period is not presented as fixed rate instruments as it is not affected by changes in interest rate.
- (f) No expected credit loss is recognised arising from finance lease receivable of the Group and of the Company as it is negligible.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 11. FINANCE LEASE RECEIVABLE (CONT'D.)

(g) The maturity profile of finance lease receivable at the end of each reporting period is summarised as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Present value of finance lease receivable:</b>				
Non-current	770,556	914,536	905,010	1,134,346
Current	195,264	212,395	229,336	212,395
	965,820	1,126,931	1,134,346	1,346,741
<b>Maturity:</b>				
Within one year	261,162	307,038	306,732	307,038
One to five years	870,540	988,533	1,022,440	1,228,153
More than five years	-	102,346	-	102,346
	1,131,702	1,397,917	1,329,172	1,637,537
Less: Unearned interest income	(165,882)	(270,986)	(194,826)	(290,796)
	965,820	1,126,931	1,134,346	1,346,741

## 12. DEFERRED TAX ASSETS/(LIABILITIES)

(a) Deferred tax assets and liabilities are made up of the following:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
As at 1 April 2023/2022	(3,601,496)	(1,037,906)	266,640	266,640
Recognised in profit or loss (Note 33)	1,254,190	(2,563,590)	-	-
As at 31 March 2024/2023	(2,347,306)	(3,601,496)	266,640	266,640
<b>Presented after appropriate offsetting:</b>				
Deferred tax assets, net	2,576,303	1,846,954	266,640	266,640
Deferred tax liabilities, net	(4,923,609)	(5,448,450)	-	-
	(2,347,306)	(3,601,496)	266,640	266,640

## 12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D.)

- (b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group	Unused tax losses RM	Unabsorbed capital allowances RM	Other temporary differences RM	Total RM
Balance as at 1 April 2023	3,139,875	2,576,318	5,315,318	11,031,511
Recognised in profit or loss	1,951,102	1,793,031	(2,007,834)	1,736,299
Balance as at 31 March 2024, prior to offsetting	5,090,977	4,369,349	3,307,484	12,767,810
Set-off				(10,191,507)
Balance as at 31 March 2024				2,576,303
Balance as at 1 April 2022	2,494,381	-	3,502,460	5,996,841
Recognised in profit or loss	645,494	2,576,318	1,812,858	5,034,670
Balance as at 31 March 2023, prior to offsetting	3,139,875	2,576,318	5,315,318	11,031,511
Set-off				(9,184,557)
Balance as at 31 March 2023				1,846,954

  

Deferred tax liabilities of the Group	Property, plant and equipment RM	Software development expenditure RM	Other temporary differences RM	Total RM
Balance as at 1 April 2023	(794,760)	(9,248,270)	(4,589,977)	(14,633,007)
Recognised in profit or loss	(1,728,213)	(370,370)	1,616,474	(482,109)
Balance as at 31 March 2024, prior to offsetting	(2,522,973)	(9,618,640)	(2,973,503)	(15,115,116)
Set-off				10,191,507
Balance as at 31 March 2024				(4,923,609)
Balance as at 1 April 2022	(334,354)	(3,442,899)	(3,257,494)	(7,034,747)
Recognised in profit or loss	(460,406)	(5,805,371)	(1,332,483)	(7,598,260)
Balance as at 31 March 2023, prior to offsetting	(794,760)	(9,248,270)	(4,589,977)	(14,633,007)
Set-off				9,184,557
Balance as at 31 March 2023				(5,448,450)

**NOTES TO THE FINANCIAL STATEMENTS** (CONT'D.)

31 March 2024

**12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D.)**

- (b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows: (Cont'd.)

Deferred tax assets of the Company	Unabsorbed capital allowances RM	Lease liabilities RM	Other temporary differences RM	Total RM
Balance as at 1 April 2023	399,475	260,417	77,746	737,638
Recognised in profit or loss	(278,333)	(130,578)	212,088	(196,823)
Balance as at 31 March 2024, prior to offsetting	121,142	129,839	289,834	540,815
Set-off				(274,175)
Balance as at 31 March 2024				266,640
Balance as at 1 April 2022	-	138,308	131,594	269,902
Recognised in profit or loss	399,475	122,109	(53,848)	467,736
Balance as at 31 March 2023, prior to offsetting	399,475	260,417	77,746	737,638
Set-off				(470,998)
Balance as at 31 March 2023				266,640

Deferred tax liabilities of the Company	Property, plant and equipment RM	Software development expenditure RM	Total RM
Balance as at 1 April 2023	(10,398)	(460,600)	(470,998)
Recognised in profit or loss	424	196,399	196,823
Balance as at 31 March 2024, prior to offsetting	(9,974)	(264,201)	(274,175)
Set-off			274,175
Balance as at 31 March 2024			-
Balance as at 1 April 2022	(3,262)	-	(3,262)
Recognised in profit or loss	(7,136)	(460,600)	(467,736)
Balance as at 31 March 2023, prior to offsetting	(10,398)	(460,600)	(470,998)
Set-off			(470,998)
Balance as at 31 March 2023			-



## 12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D.)

- (c) The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unused tax losses				
- Expires by 31 March 2029	163,449	163,449	-	-
- Expires by 31 March 2032	21,165	21,165	-	-
- Expires by 31 March 2033	11,719	4,036,439	-	-
- Expires by 31 March 2034	4,490,540	-	-	-
Unabsorbed capital allowances	2,463,226	1,051,865	831,000	1,031,147
Other deductible temporary differences	16,767,912	1,306,906	2,878,818	1,312,969
	23,918,011	6,579,824	3,709,818	2,344,116

Deferred tax assets of the Company and its subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the Company and its subsidiaries would be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities. Unutilised tax losses of the subsidiaries incorporated in Malaysia can be carried forward up to 10 consecutive years of assessment immediately following the year of assessment under the tax legislation of Inland Revenue Board.

## 13. INVENTORIES & CONTRACT COSTS

	Note	Group	
		2024 RM	2023 RM
<b>Inventories</b>			
<b>At cost</b>			
Hardware maintenance parts and spares	(a)	1,156,313	721,500
<b>Contract costs</b>	(b)	38,170,089	21,553,762
		39,326,402	22,275,262

### (a) Inventories

- (i) Inventories are determined on the first-in, first-out basis and stated at the lower of cost and net realisable value.
- (ii) Cost of inventories of the Group recognised as an expense during the financial year amounted to RM68,447,558 (2023: RM100,256,017).
- (iii) The Group writes down its obsolete or slow moving inventories based on assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyses sales trend and current economic trends when evaluating the adequacy of the write down for obsolete or slow moving inventories. Where actual results differ from the original estimates, the differences would impact the carrying amount of inventories. The Group has written off inventories amounting to RM378,030 during the financial year.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 13. INVENTORIES &amp; CONTRACT COSTS (CONT'D.)

## (b) Contract costs

- (i) Contract costs represent directly attributable costs incurred in fulfilling a contract that are expected to be recovered in satisfying future performance obligations. Costs incurred by the Group to fulfil a contract prior to the commencement of its performance are mostly general and administrative expenses that are expensed profit or loss as incurred.
- (ii) Contract costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The basis of amortisation is reviewed at the end of the year to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.
- (iii) An impairment loss is recognised in profit or loss to the extent that the carrying amount of the asset exceeds the remaining amount of consideration expected to be received in exchange for goods or services to which the asset relates, net of remaining directly attributable costs yet to be expensed.
- (iv) Movement of contract costs is as follows:

	Group	
	2024 RM	2023 RM
Balance as at 1 April 2023/2022	21,553,762	4,303,223
Capitalised during the financial year	50,799,823	41,075,337
	72,353,585	45,378,560
Recognised in profit or loss	(34,183,496)	(23,824,798)
Balance as at 31 March 2024/2023	38,170,089	21,553,762

No provision for impairment losses were required on contract costs as at 31 March 2024 and 31 March 2023.

## 14. TRADE RECEIVABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Third parties		120,817,793	65,782,497	-	-
Amounts owing from subsidiaries		-	-	23,148,434	38,687,874
		120,817,793	65,782,497	23,148,434	38,687,874
Less: Impairment losses					
- Third parties	(f)	(21,278,760)	(10,741,724)	-	-
- Amounts owing from subsidiaries	(h)	-	-	(1,427,598)	(6,721,178)
		(21,278,760)	(10,741,724)	(1,427,598)	(6,721,178)
		99,539,033	55,040,773	21,720,836	31,966,696

## 14. TRADE RECEIVABLES (CONT'D.)

- (a) Trade receivables are classified as financial assets measured at amortised cost.
- (b) The normal trade credit terms of trade receivables granted by the Group and the Company range from 30 to 90 days (2023: 30 to 90 days) from date of invoice. They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (c) The currency exposure profile of trade receivables is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	96,437,180	51,701,583	21,720,836	31,966,696
United States Dollar	9,960	1,325,100	-	-
Brunei Dollar	848,321	582,028	-	-
Bahraini Dinar	2,243,572	1,432,062	-	-
	99,539,033	55,040,773	21,720,836	31,966,696

- (d) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, is as follows:

	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
<b>Effects of 10% changes to RM against foreign currencies</b>				
<b>Group</b>				
United States Dollar	757	-	100,708	-
Brunei Dollar	64,472	-	44,234	-
Bahraini Dinar	170,511	-	108,837	-

- (e) Third party receivables
- (i) Impairment for third party receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. Expected loss rates are calculated using the roll rate method separately for exposures in different segments based on the following common credit risk characteristic which is age of customer relationship.

The expected loss rates are based on the historical credit losses experienced by the Group over the three (3) year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the customers of the Group. The Group has identified the IT service gross domestic product, labor force participation, and consumer price index as the key macroeconomic factors.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 14. TRADE RECEIVABLES (CONT'D.)

## (e) Third party receivables (Cont'd.)

- (i) Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

During the financial year, the Group identified changes in key macroeconomic factors for the purpose of determining forward-looking information affecting the measurement of expected credit losses.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Management exercised judgements in determining the probability of default by trade receivables and appropriate forward-looking information.

- (ii) Lifetime expected loss provision for third party receivables of the Group is as follows:

Group	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
<b>2024</b>			
Not past due	47,184,828	(169)	47,184,659
Past due:			
1 to 30 days	10,195,629	—*	10,195,629
31 to 60 days	663,076	(43)	663,033
More than 60 days	62,774,260	(21,278,548)	41,495,712
	73,632,965	(21,278,591)	52,354,374
	120,817,793	(21,278,760)	99,539,033
<b>2023</b>			
Not past due	34,682,525	(386,986)	34,295,539
Past due:			
1 to 30 days	7,623,846	—*	7,623,846
31 to 60 days	3,559,108	—*	3,559,108
More than 60 days	19,917,018	(10,354,738)	9,562,280
	31,099,972	(10,354,738)	20,745,234
	65,782,497	(10,741,724)	55,040,773

\* The expected credit loss is negligible.

## 14. TRADE RECEIVABLES (CONT'D.)

### (f) Amounts owing from subsidiaries

Impairment for amounts owing from subsidiaries that do not contain a significant financing component were recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis were recognised.

The Group defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment delays and past due information.

Evidence that a financial asset is credit impaired includes the following observable data:

- (i) Significant financial difficulties of the debtor;
- (ii) It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- (iii) The disappearance of an active market for a security because of financial difficulties.

The probability of non-payment by the related parties is adjusted by forward-looking information as stated in Note 14(e)(i) and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for the related parties.

It requires management to exercise judgement in determining the probability of default by related parties, appropriate forward looking information and significant increase in credit risk.

Movements in the lifetime expected credit loss for third party receivables are as follows:

	Group	
	2024 RM	2023 RM
At 1 April 2023/2022	10,741,724	11,016,551
Charge for the financial year	11,333,689	389,178
Reversal of impairment losses	(796,653)	(519,148)
Written off	-	(144,857)
At 31 March 2024/2023	21,278,760	10,741,724

### (g) Movements in the impairment allowance for related party receivables are as follows:

Group	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
At 1 April 2022	69,799	-	3,450	73,249
Reversal of impairment losses	(69,799)	-	(3,450)	(73,249)
At 31 March/1 April 2023	-	-	-	-
Reversal of impairment losses	-	-	-	-
At 31 March 2024	-	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 14. TRADE RECEIVABLES (CONT'D.)

(h) Movements in the impairment allowance for amounts owing from subsidiaries are as follows:

Company	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
At 1 April 2022	660,541	4,372,720	1,291,932	6,325,193
Charge for the financial year	-	-	395,985	395,985
Transfer to lifetime ECL - not credit impaired	-	(3,670,659)	3,670,659	-
Transfer to 12-month ECL	702,061	(702,061)	-	-
At 31 March/1 April 2023	1,362,602	-	5,358,576	6,721,178
Charge for the financial year	-	-	-	-
Transfer to lifetime ECL - credit impaired	-	-	-	-
Transfer to 12-month ECL	-	-	-	-
Reversal of impairment losses	-	-	(5,293,580)	(5,293,580)
At 31 March 2024	1,362,602	-	64,996	1,427,598

Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the end of the reporting period.

- (i) As at the end of reporting period, trade receivables are not secured by any collateral, cash. Thus, the maximum credit risk exposure is represented by to the gross carrying amount of trade receivables of the Group.
- (j) The credit risk concentration profile of the trade receivables at the end of the reporting period are as follows:

Group	2024		2023	
	RM	% of total	RM	% of total
<b>By country</b>				
Malaysia	96,437,180	96.88%	51,701,583	93.93%
Brunei	848,321	0.85%	582,028	1.06%
Bahrain	2,243,572	2.26%	1,432,062	2.60%
United States	9,960	0.01%	1,325,100	2.41%
	99,539,033	100.00%	55,040,773	100.00%

Company	2024		2023	
	RM	% of total	RM	% of total
<b>By country</b>				
Malaysia	21,720,836	100.0%	31,966,696	100.00%

At the end of the reporting period, approximately 52% (2023: 59%) of the trade receivables of the Group were due from three (3) customers (2023: three (3) customers). At the end of the reporting period, the Company does not have significant concentration of credit risk other than related parties of RM21,720,836 (2023: RM31,966,696), which contributes 100% (2023: 100%) of total receivables of the Company.

- (k) Included in trade receivables of the Group, is an amount of RM37,620,026 (2023: RM26,180,576) that are due from related parties. Management has assessed the probability of default by the related parties to be negligible based on the settlement plan agreed with the related parties.

## 15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables	5,364,963	7,739,233	251,049	884,518
Deposits	533,179	802,563	153,414	119,138
Less: Accumulated impairment losses	–	(3,450)	–	–
	5,898,142	8,538,346	404,463	1,003,656
Prepayments	17,781,778	22,746,732	341,865	899,928
	23,679,920	31,285,078	746,328	1,903,584

- (a) Other receivables and deposits are classified as financial assets measured at amortised cost.
- (b) Included in prepayments, is an amount of RM6,000,000 being the downpayment made for the purchase of property plant and equipment.
- (c) The currency exposure profile of other receivables and deposits is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	5,409,831	8,527,119	404,463	1,003,656
Indonesian Rupiah	3,721	–	–	–
Bahraini Dinar	411,203	11,227	–	–
Vietnam Dong	73,387	–	–	–
	5,898,142	8,538,346	404,463	1,003,656

- (d) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, is as follows:

	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
<b>Effects of 10% changes to RM against foreign currencies</b>				
<b>Group</b>				
Indonesian Rupiah	–	283	–	–
Bahraini Dinar	–	31,251	–	853
Vietnam Dong	–	5,577	–	–

- (e) Impairment for other receivables and deposits are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(f) to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D.)

- (f) The reconciliation of movement in allowance for impairment accounts in other receivables of the Group is as follows:

Group	Lifetime expected credit loss
	Credit-impaired RM
At 1 April 2022	-
Charge for the financial year	3,450
At 31 March 2023	3,450
Reversal of impairment losses	(3,450)
At 31 March 2024	-

- (g) Included in other receivables of the Group and of the Company, are an amount of RM784,934 and RM99,656 (2023: RM61,148 and RM15,731) that are due from related parties.

## 16. CONTRACT ASSETS

	Note	Group	
		2024 RM	2023 RM
Aggregate contract costs incurred to date		29,255,956	31,247,440
Add: Attributable profits		93,938,797	55,348,118
		123,194,753	86,595,558
Less: Progress billings		(95,997,709)	(50,192,938)
Less: Impairment losses		-	(96,021)
		27,197,044	36,306,599
Represented by:			
<b>Contract assets</b>			
Projects		32,375,704	36,306,599
<b>Contract liabilities</b>			
Projects	27	(5,178,660)	-
		27,197,044	36,306,599

- (a) Projects

Projects represent the timing differences in revenue recognition and milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer. Contract liabilities are recognised as revenue when performance obligations are satisfied.



## 16. CONTRACT ASSETS (CONT'D.)

- (b) Impairment for contract assets that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 14(e)(i) to the financial statements.
- (c) Movements in the lifetime expected credit loss for contract asset are as follows:

	Group	
	2024 RM	2023 RM
At 1 April 2023/2022	96,021	96,021
Reversal of impairment losses	(96,021)	-
At 31 March 2024/2023	-	96,021

## 17. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	Company	
	2024 RM	2023 RM
Amounts owing by subsidiaries	143,852,381	111,998,413
Less: Impairment losses	(72,713,907)	(68,905,332)
	71,138,474	43,093,081
Amounts owing to subsidiaries	12,328,393	254,177

- (a) Amounts owing by/(to) subsidiaries are classified as financial assets/(liabilities) measured at amortised cost.
- (b) Amounts owing by/(to) subsidiaries represent management fees, advances and payments made on behalf, which are unsecured, interest-free and collectible/payable within twelve (12) months in cash and cash equivalents.
- (c) All amounts owing by/(to) subsidiaries are denominated in RM.
- (d) Impairment for amounts owing by subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(f) to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS** (CONT'D.)

31 March 2024

**17. AMOUNTS OWING BY/(TO) SUBSIDIARIES (CONT'D.)**

- (e) The reconciliation of movements in allowance for impairment is as follows:

Company	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
At 1 April 2022	882,340	64,457,304	68,714	65,408,358
Charge for the financial year	26,070	-	4,004,046	4,030,116
Transfer to 12-month ECL	937,135	(937,135)	-	-
Reversal of impairment losses	(533,142)	-	-	(533,142)
At 31 March 2023	1,312,403	63,520,169	4,072,760	68,905,332
Charge for the financial year	50,086	3,560,438	198,051	3,808,575
At 31 March 2024	1,362,489	67,080,607	4,270,811	72,713,907

- (f) The maturity profile of amounts owing to subsidiaries of the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one (1) year.

**18. AMOUNT OWING BY/(TO) A FORMER JOINTLY-CONTROLLED ENTITY**

- (a) In the previous financial year, amount owing by/(to) a former jointly-controlled entity were classified as financial asset/(liability) measured at amortised cost.
- (b) In the previous financial year, amount owing by/(to) a former jointly-controlled entity represented management fees, advances and payments made on behalf, which were unsecured, interest-free and collectible/payable within twelve (12) months in cash and cash equivalents.
- (c) In the previous financial year, all amount owing by/(to) a former jointly-controlled entity were denominated in RM.
- (d) In the previous financial year, impairment for amount owing by a former jointly-controlled entity were recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(f) to the financial statements.

No expected credit loss was recognised arising from amount owing by a former jointly-controlled entity as it was negligible.

- (e) In the previous financial year, the maturity profile of amount owing to a former jointly-controlled entity of the Group at the end of the reporting period based on contractual undiscounted repayment obligation was repayable within one (1) year.

## 19. CASH AND BANK BALANCES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	5,676,939	28,219,806	12,941	254,296
Deposits with licensed banks	7,786,901	5,456,435	-	-
	13,463,840	33,676,241	12,941	254,296

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) Included in deposits with licensed banks of the Group are amounts of RM7,786,901 (2023: RM5,456,435) pledged to licensed banks for credit facilities granted to the Group as disclosed in Note 23 to the financial statements.
- (c) The interest rate profile and weighted average effective interest rates ("WAEIR") per annum of deposits placed with licensed banks are as follows:

	Group			
	2024		2023	
	WAEIR %	RM	WAEIR %	RM
<b>Fixed rates</b>				
Deposits placed with licensed banks	2.85	7,786,901	3.10	5,456,435

Sensitivity analysis for fixed rate deposits placed with licensed banks at the end of the reporting period is not presented as it is not affected by changes in interest rates.

- (d) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	5,676,939	28,219,806	12,941	254,296
Deposits with licensed banks	7,786,901	5,456,435	-	-
	13,463,840	33,676,241	12,941	254,296
Less: Deposits pledged to licensed banks	(7,786,901)	(5,456,435)	-	-
Bank overdraft (Note 22)	(2,349,195)	(2,477,634)	-	-
	3,327,744	25,742,172	12,941	254,296

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 19. CASH AND BANK BALANCES (CONT'D.)

(e) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	12,892,849	33,416,906	12,941	254,296
Indonesian Rupiah	17,693	17,746	-	-
Singapore Dollar	4,373	4,467	-	-
Bahraini Dinar	455,750	161,974	-	-
United States Dollar	6,951	75,148	-	-
Vietnam Dong	86,224	-	-	-
	13,463,840	33,676,241	12,941	254,296

(f) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

Group	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
<b>Effects of 10% changes to RM against foreign currencies</b>				
United States Dollar	529	-	5,712	-
Indonesian Rupiah	-	1,345	-	1,349
Singapore Dollar	-	333	-	340
Bahraini Dinar	-	34,637	-	12,311
Vietnam Dong	-	6,554	-	-

(g) No expected credit losses were recognised arising from the cash and bank balances because the probability of default by these financial institutions were negligible.

## 20. SHARE CAPITAL

	Group and Company			
	2024		2023	
	Number of shares	RM	Number of shares	RM
<b>Issued and fully paid</b>				
As at 1 April 2023/2022	1,072,396,160	166,259,528	1,067,397,460	161,896,279
Ordinary shares issued under Employee Share Grant Plan	-	-	4,998,700	4,363,249
As at 31 March 2024/2023	1,072,396,160	166,259,528	1,072,396,160	166,259,528

## 20. SHARE CAPITAL (CONT'D.)

- (a) In the previous financial year, the issued and fully paid-up ordinary shares of the Company were increased from 1,067,397,460 to 1,072,396,160 ordinary shares by way of issuance of 4,998,700 new ordinary shares under Employee Share Grant Plan at exercise prices ranging from RM0.54 to RM1.0182 per ordinary share at no consideration.
- (b) Owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

## 21. RESERVES

	Group	
	2024 RM	2023 RM
Non-distributable:		
Exchange translation reserve	(527,544)	(214,324)

Exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment in foreign operations of the Group, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

## 22. BORROWINGS

	Group	
	2024 RM	2023 RM
<b>Current liabilities</b>		
Bank overdraft	2,349,195	2,477,634
Trust receipts (Note 23)	38,752,928	25,527,019
	41,102,123	28,004,653

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) All borrowings are denominated in RM.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 22. BORROWINGS (CONT'D.)

- (c) The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of each reporting period and the remaining maturities of the borrowings of the Group that are exposed to interest rate risk:

Group	Weighted average effective interest rate per annum %	Within 1 year RM	One to five years RM	Total RM
<b>2024</b>				
<b>Floating rates</b>				
Bank overdraft	8.35	2,349,195	–	2,349,195
Trust receipts	7.96	38,752,928	–	38,752,928
		41,102,123	–	41,102,123
<b>2023</b>				
<b>Floating rates</b>				
Bank overdraft	7.30	2,477,634	–	2,477,634
Trust receipts	7.42	25,527,019	–	25,527,019
		28,004,653	–	28,004,653

- (d) The bank overdraft of the Group is guaranteed by way of a corporate guarantee given by the Company.
- (e) Sensitivity analysis of interest rates risk for the floating rates instruments at the end of the reporting period, assuming that all other variables remain constant, are as follows:

Group	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
<b>Effects of 50bp changes to interest rate</b>				
Floating instruments	156,188	–	106,418	–

- (f) The table below summarises the maturity profile of the borrowings at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM	One to five years RM	Total RM
<b>31 March 2024</b>			
Bank overdraft	2,349,195	–	2,349,195
Trust receipts	39,536,499	–	39,536,499
Total undiscounted financial liabilities	41,885,694	–	41,885,694
<b>31 March 2023</b>			
Bank overdraft	2,477,634	–	2,477,634
Trust receipts	26,091,563	–	26,091,563
Total undiscounted financial liabilities	28,569,197	–	28,569,197

## 23. TRUST RECEIPTS

The trust receipts are secured by the following:

- (a) Pledge of deposits as disclosed in Note 19 to the financial statements; and
- (b) Corporate guarantee from the Company and a subsidiary.

## 24. OTHER PAYABLES AND PROVISION

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>				
Provision for restoration cost	197,365	183,084	197,365	183,084
<b>Current</b>				
Other payables and accruals	29,953,833	24,558,412	2,542,683	1,551,478
Refundable deposits	32,593	2,000	-	-
	29,986,426	24,560,412	2,542,683	1,551,478
	30,183,791	24,743,496	2,740,048	1,734,562

- (a) Other payables, refundable deposits and accruals are classified as financial liabilities measured at amortised cost.
- (b) A reconciliation of the provision for restoration cost is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 April 2023/2022	183,084	157,548	183,084	157,548
Unwinding of discount	14,281	25,536	14,281	25,536
At 31 March 2024/2023	197,365	183,084	197,365	183,084

Under the provision of lease agreements, the Group and the Company have obligations to dismantle and remove refurbishments on the demised premise and restore it at the end of the lease term to an acceptable condition. The liabilities for restoration are recognised at present value of the compounded future expenditure estimated using current price and discounted using a discount rate of 7.8% (2023: 7.8%) per annum.

- (c) The currency exposure profile of other payables and accruals (excluding provision) is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	25,430,461	23,756,906	2,542,683	1,551,478
Indonesia Rupiah	3,235	3,202	-	-
United Arab Emirates Dirham	-	14,707	-	-
Bahraini Dinar	292,950	4,687	-	-
Singapore Dollar	827,839	780,910	-	-
Vietnam Dong	3,431,941	-	-	-
	29,986,426	24,560,412	2,542,683	1,551,478

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 24. OTHER PAYABLES AND PROVISION (CONT'D.)

- (d) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

Group	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
<b>Effects of 10% changes to RM against foreign currencies</b>				
Indonesia Rupiah	-	246	-	243
United Arab Emirates Dirham	-	-	-	1,118
Bahraini Dinar	-	22,264	356	-
Singapore Dollar	-	62,916	59,349	-
Vietnam Dong	-	260,828	-	-

- (e) The table below summarises the maturity profile of the other payables and provision at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM	More than five years RM	Total RM
<b>31 March 2024</b>			
Other payables	29,986,426	-	29,986,426
Provision	-	259,135	259,135
	29,986,426	259,135	30,245,561
<b>31 March 2023</b>			
Other payables	24,560,412	-	24,560,412
Provision	-	236,480	236,480
	24,560,412	236,480	24,796,892
Company	On demand or within one year RM	More than five years RM	Total RM
<b>31 March 2024</b>			
Other payables	2,542,683	-	2,542,683
Provision	-	259,135	259,135
	2,542,683	259,135	2,801,818
<b>31 March 2023</b>			
Other payables	1,551,478	-	1,551,478
Provision	-	236,480	236,480
	1,551,478	236,480	1,787,958

- (f) Included in other payables of the Group and of the Company, are an amount of RM5,593,456 and RM1,206,005 (2023: RM1,333,766 and RM246,544) that are amounts owing to related parties.



## 25. LEASE LIABILITIES

Group	Balance as at 1.4.2023 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2024 RM
<b>Carrying amount</b>							
Buildings	3,954,236	27,765	114,863	-	(1,028,693)	290,347	3,358,518
Computer software and hardware	882,028	-	43,705	-	(894,467)	15,742	47,008
Motor vehicles	1,459,483	-	-	(210,351)	(385,840)	97,154	960,446
	6,295,747	27,765	158,568	(210,351)	(2,309,000)	403,243	4,365,972

Company	Balance as at 1.4.2023 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2024 RM
<b>Carrying amount</b>							
Buildings	3,657,365	-	114,863	-	(873,360)	277,033	3,175,901
Computer software and hardware	813,029	-	-	-	(826,583)	13,554	-
	4,470,394	-	114,863	-	(1,699,943)	290,587	3,175,901

Group	Balance as at 1.4.2022 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Lease concession RM	Balance as at 31.3.2023 RM
<b>Carrying amount</b>								
Buildings	2,405,223	141,456	2,029,374	-	(899,813)	277,996	-	3,954,236
Computer software and hardware	2,459,711	-	-	-	(1,670,745)	93,062	-	882,028
Motor vehicles	1,925,470	-	840,521	(670,265)	(803,929)	172,918	(5,232)	1,459,483
	6,790,404	141,456	2,869,895	(670,265)	(3,374,487)	543,976	(5,232)	6,295,747

Company	Balance as at 1.4.2022 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Interest expense RM	Balance as at 31.3.2023 RM
<b>Carrying amount</b>								
Buildings	2,102,756	-	2,029,374	-	(738,340)	263,575	-	3,657,365
Computer software and hardware	2,245,094	-	-	-	(1,515,404)	83,339	-	813,029
Motor vehicles	305,466	-	-	(122,516)	(192,195)	9,245	-	-
	4,653,316	-	2,029,374	(122,516)	(2,445,939)	356,159	-	4,470,394

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 25. LEASE LIABILITIES (CONT'D.)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Represented by:</b>				
Current liabilities	1,098,551	1,723,113	655,484	1,344,021
Non-current liabilities	3,267,421	4,572,634	2,520,417	3,126,373
	4,365,972	6,295,747	3,175,901	4,470,394
Lease liabilities owing to financial institutions	989,158	2,062,636	–	813,029
Lease liabilities owing to non-financial institutions	3,376,814	4,233,111	3,175,901	3,657,365
	4,365,972	6,295,747	3,175,901	4,470,394

- (a) Lease liabilities are classified as financial liabilities measured at amortised cost.
- (b) All lease liabilities are denominated in RM.
- (c) The table below summarises the maturity profile of the lease liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
<b>31 March 2024</b>					
Lease liabilities	2.66 – 8.58	1,497,193	3,864,150	–	5,361,343
<b>31 March 2023</b>					
Lease liabilities	3.00 – 8.58	2,489,505	5,032,840	448,482	7,970,827
Company	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
<b>31 March 2024</b>					
Lease liabilities	7.70 – 8.58	883,860	2,862,200	–	3,746,060
<b>31 March 2023</b>					
Lease liabilities	3.00 – 8.58	1,668,443	3,367,440	280,620	5,316,503

- (d) The Group has certain leases of buildings, office equipment, computer software and hardware with lease term of 12 months or less, and low value leases of office equipment and computer software and hardware of RM10,000 and below. The Group applies the “short-term lease” and “lease of low-value assets” exemptions for these leases.

## 25. LEASE LIABILITIES (CONT'D.)

(e) The following are the amounts recognised in profit or loss:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Depreciation charge of right-of-use assets (included in other operating expenses)	954,101	1,336,388	409,190	574,968
Interest expense on lease liabilities (included in finance cost)	403,243	543,976	290,587	356,159
Gain on termination of lease contract (included in other operating income)	(19,433)	(69,823)	-	(33,344)
Lease concession (included in other operating income)	-	(5,232)	-	-
Gain on lease modification (included in other operating income)	30,459	-	-	-
Loss on lease modification (included in other operating expenses)	-	(2,699)	-	-
Expense relating to short-term leases (included in administrative expenses)	632,668	711,084	152,338	24,608
Expense relating to leases of low-value assets (included in administrative expenses)	6,600	8,415	720	-
	2,007,638	2,522,109	852,835	922,391

(f) The following are total cash outflows for leases as lessee:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Included in net cash of operating activities:				
Payment relating to short term leases	632,668	711,084	152,338	24,608
Payment relating to leases of low-value assets	6,600	8,415	720	-
Included in net cash of financing activities:				
Payment of lease liabilities	1,905,757	2,830,511	1,409,356	2,089,780
Payment of lease interest	403,243	543,976	290,587	356,159
	2,948,268	4,093,986	1,853,001	2,470,547

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 26. TRADE PAYABLES

	Group	
	2024 RM	2023 RM
<b>Non-current</b>		
Trade payable	423,092	-
<b>Current</b>		
Trade payables	55,238,492	17,353,809
	55,661,584	17,353,809

- (a) Trade payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 days to 90 days (2023: 30 days to 90 days) from date of invoice except an amount of RM7,206,765, which bears interest rate ranging from 5.80% to 6.16%.
- (c) The currency exposure profile of trade payables is as follows:

	Group	
	2024 RM	2023 RM
Ringgit Malaysia	54,540,049	16,811,510
United States Dollar	228,840	542,299
Bahraini Dinar	457,420	-
Singapore Dollar	260,263	-
Australian Dollar	76,222	-
Vietnam Dong	98,790	-
	55,661,584	17,353,809

- (d) Sensitivity analysis of Ringgit Malaysia ('RM') against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

Group	2024		2023	
	Profit/(Loss) RM	Equity RM	Profit/(Loss) RM	Equity RM
<b>Effects of 10% changes to RM against foreign currencies</b>				
United States Dollar	17,392	-	41,215	-
Bahraini Dinar	7,713	27,051	-	-
Singapore Dollar	19,780	-	-	-
Australian Dollar	5,793	-	-	-
Vietnam Dong	-	7,508	-	-

## 26. TRADE PAYABLES (CONT'D.)

- (e) Included in trade payables of the Group, is an amount of RM2,541,417 (2023: RM3,627,730) that are due to related parties.
- (f) The table below summarises the maturity profile of the trade payables of the Group at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM	One to five years RM	Total RM
<b>31 March 2024</b>			
Trade payables	55,495,232	426,708	55,921,940
<b>31 March 2023</b>			
Trade payables	17,353,809	-	17,353,809

## 27. CONTRACT LIABILITIES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Contract liabilities in relation to:					
Projects	16	5,178,660	-	-	-
Deferred income:					
- maintenance income		14,225,087	26,038,579	2,998,445	140,857
		19,403,747	26,038,579	2,998,445	140,857

- (a) Contract liabilities are the obligations to transfer goods or services to customers for which the Group and the Company have received the consideration, the fair values at initial recognition, or has billed the customers. For projects, contract liabilities are excess of the progress billings to customers over the project costs incurred plus profit accrued. Deferred maintenance income and software licensing fees are billings have been made to the customers before the services are provided to the customers.
- (b) The amounts of RM26,038,579 (2023: RM16,417,131) of the Group and RM140,857 (2023: RM428,932) of the Company recognised in contract liabilities at the beginning of the financial year have been recognised as revenue for current financial year.

**NOTES TO THE FINANCIAL STATEMENTS** (CONT'D.)

31 March 2024

**27. CONTRACT LIABILITIES (CONT'D.)**

- (c) Contract value yet to be recognised as revenue

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>2024</b>				
Within 1 year	9,591,150	23,434,390	2,998,445	140,587
Between 1 and 4 years	9,812,597	2,604,189	–	–
	19,403,747	26,038,579	2,998,445	140,587

**28. FINANCIAL GUARANTEES**

The Company has financial guarantee contracts of RM41,102,123 (2023: RM28,004,653) in respect of financial guarantees given to financial institutions for banking facilities granted to subsidiaries. The Company monitors the ability of the subsidiaries to service their loans regularly.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of the amount of the loss allowance; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contract with Customers*.

The Company assumes that there is significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when the subsidiaries are unlikely to repay its credit obligation to the bank in full or the subsidiaries are continuously loss making and are having a deficit shareholders' fund. The Company determines the probability of default of the guaranteed loans individually using internal information available.

Financial guarantees have not been recognised since the fair value was not material on initial recognition. As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

**29. CAPITAL COMMITMENTS**

	Company	
	2024 RM	2023 RM
Capital expenditure:		
Approved and contracted for property, plant and equipment and investment properties	2,350,000	24,000,100

### 30. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Revenue from contracts with customers:</b>				
Projects	59,280,021	91,132,112	-	-
Maintenance income	47,934,547	42,273,022	360,702	1,892,660
Sales of hardware equipment and software	162,441,142	114,803,860	-	-
Management fees	-	239,521	5,510,400	5,367,120
Software licensing fees	310,078	-	922,734	100,000
Integration charges	11,321,104	-	410,271	500,016
	281,286,892	248,448,515	7,204,107	7,859,796
<b>Other revenue</b>				
Dividend income	4,980	86,937	4,980	6,524,770
	281,291,872	248,535,452	7,209,087	14,384,566
<b>Timing of revenue recognition</b>				
Transferred over time	107,524,646	133,405,134	1,693,707	1,992,660
Transferred at a point in time	173,762,246	115,043,381	5,510,400	5,867,136
	281,286,892	248,448,515	7,204,107	7,859,796

Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 4 to the financial statements, which has been presented based on geographical location from which the sale transactions originated.

#### (a) Projects

Projects may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue from projects is measured at the fixed transaction price agreed under the agreement.

The Group determines the transaction price of a contract after considering the effect of variable consideration, constraining estimates of variable consideration, effect of significant financing component, non-cash consideration and consideration payable to customer.

When the fair value of variable consideration is uncertain, the Group estimates the amount of consideration by using the most likely amount method and only recognises to the extent that is highly probable that a significant reversal in cumulative revenue will not occur.

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group recognises revenue over time using an input method by reference to the labour hours expended relative to the total expected labour hours for satisfaction of that performance obligation, as the customer simultaneously receives and consumes the benefits provided by the Group.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

### 30. REVENUE (CONT'D.)

(a) Projects (Cont'd.)

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations. The Group also estimates total performance period in applying the input method to recognise revenue over time. In estimating total performance period to complete, the Group considers the completeness and accuracy of its performance period estimation, including performance period for contract variations.

(b) Maintenance income

Revenue from sale of maintenance and software support services rendered is recognised over time throughout the period of contracts using an input method. Income for the expired period is recognised in the profit or loss on accrual basis and income relating to the unexpired period is carried forward as deferred maintenance income.

(c) Sales of hardware equipment and software

Revenue from sales of hardware equipment and software is recognised at a point in time when the hardware and software has been transferred to the customer and coincides with the delivery of products and acceptance by customers.

Some contracts include multiple deliverables, such as the installation of hardware and/or software. In most cases, the installation is simple, does not include an integration service and could be performed by another party. Therefore, it is accounted for as a separate performance obligation. The transaction price will be allocated to each performance obligation based on stand-alone selling prices. Where these are not directly observable, they are estimated based on cost plus expected margin. If contracts include the installation of hardware and software, the revenue for installation services are recognised at a point in time when the customer has accepted the installation of the hardware or software.

There is no significant financing component in the revenue arising from sales of hardware and software as the sales are made on the normal credit terms not exceeding twelve (12) months.

(d) Management fees

Management fees are recognised at a point in time when management services is rendered and acceptance by customers.

(e) Software licensing fees

Revenue from sale of internally developed software licensing is recognised over the period of the contract when the customers activate or upon acceptance of delivery of the access code to customers. Such performance obligation is met over time as customer simultaneously receives and consumes benefits of services as and when the Group and the Company grants the right to access of the software license as well as keeps possession of the software.

(f) Integration charges

Revenue from sale of integration charges is recognised at a point in time when the services has been rendered to the customers and coincides with the delivery of services and acceptance by customers.

There is no significant financing component in the revenue arising from services rendered as the services are made on the normal credit terms not exceeding twelve (12) months.

(g) Dividend income

Dividend income is recognised when the right of the Group and the Company to receive payment is established.



### 31. EMPLOYEE BENEFITS

Total employee benefits recognised in profit or loss are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Salaries, wages, bonuses and allowances	34,746,865	27,579,891	4,667,796	5,383,313
Defined contribution plan	4,803,091	3,508,186	616,451	612,740
Share options granted under Employee Share Grant Plan:				
- Directors	-	126,694	-	12,388
- Other employees	-	765,322	-	74,829
Provision for gratuity obligations	-	1,403,351	-	-
Other employee benefits	7,663,357	2,652,051	750,568	229,231
	47,213,313	36,035,495	6,034,815	6,312,501

Remuneration of Directors and other key management personnel during the financial year are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors' fees	822,635	872,686	660,216	752,686
Salaries and other short term employee benefits:				
- Directors	664,680	1,176,395	664,680	854,000
- Other key management personnel	3,394,634	3,344,709	1,788,299	1,833,185
	4,059,314	4,521,104	2,452,979	2,687,185

Estimated monetary value of benefits-in-kind provided to the Directors and key management personnel are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors	60,625	125,663	53,125	125,663
Other key management personnel	45,000	9,275	45,000	9,275
	105,625	134,938	98,125	134,938

**NOTES TO THE FINANCIAL STATEMENTS** (CONT'D.)

31 March 2024

**32. FINANCE COSTS**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expense on:				
- trust receipts	1,930,758	930,266	-	-
- lease liabilities	403,243	543,976	290,587	356,159
- bank overdraft	174,596	180,774	-	-
- term loan	37,815	-	-	-
- trade payable and others	564,811	-	-	-
Unwinding of interest on provision for restoration cost	14,281	25,536	14,281	25,536
	3,125,504	1,680,552	304,868	381,695

**33. TAXATION**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax expense based on profit for the financial year	3,466,245	2,992,967	-	-
Under provision in prior years	705,758	333,535	91,214	301,203
	4,172,003	3,326,502	91,214	301,203
Deferred tax (Note 12)				
Relating to origination on and reversal of temporary differences	(2,727,848)	2,357,390	-	-
Under provision in prior years	1,473,658	206,200	-	-
	(1,254,190)	2,563,590	-	-
	2,917,813	5,890,092	91,214	301,203

- (a) Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated taxable profit for the fiscal year.

### 33. TAXATION (CONT'D.)

- (b) Numerical reconciliation between the taxation and the product of accounting (loss)/profit multiplied by the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
(Loss)/Profit before tax	(24,887,743)	31,923,514	(1,028,296)	586,475
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	(5,973,058)	7,661,644	(246,791)	140,754
Tax effects in respect of:				
Non-deductible expenses	5,184,602	5,651,548	1,296,310	2,566,085
Income not subject to tax	(2,634,312)	(5,972,329)	(1,377,287)	(2,500,791)
Deferred tax assets not recognised during the year	4,569,158	2,723	327,768	-
Utilisation of deferred tax assets previously not recognised	(407,993)	(1,993,229)	-	(206,048)
	738,397	5,350,357	-	-
Under provision of tax expenses in prior years	705,758	333,535	91,214	301,203
Under provision of deferred tax in prior years	1,473,658	206,200	-	-
	2,179,416	539,735	91,214	301,203
	2,917,813	5,890,092	91,214	301,203

- (c) Tax on each component of other comprehensive income is as follows:

	Group		
	Before tax RM	Tax effect RM	After tax RM
<b>Items that may be reclassified subsequently to profit or loss</b>			
<b>2024</b>			
Foreign currency translations	(312,581)	-	(312,581)
<b>2023</b>			
Foreign currency translations	(249,435)	-	(249,435)

**NOTES TO THE FINANCIAL STATEMENTS** (CONT'D.)

31 March 2024

**34. (LOSS)/EARNINGS PER ORDINARY SHARE**

## (a) Basic (loss)/earnings per ordinary share

Basic (loss)/earnings per ordinary share of the Group is calculated by dividing the (loss)/profit attributable for the financial year to equity holders of the parent for the year by the weighted average number of ordinary shares in issued during the financial year.

	Group	
	2024	2023
(Loss)/Profit attributable to equity holders of the parent (RM)	(26,835,852)	25,858,677
Weighted average number of ordinary shares in issue (unit)	1,072,396,160	1,069,398,488
Basic (loss)/earnings per ordinary share (sen)	(2.50)	2.42

## (b) Diluted (loss)/earnings per ordinary share

The diluted (loss)/earnings per ordinary share equal basic (loss)/earnings per ordinary share because there were no potential dilutive ordinary shares as at the end of the reporting period.

**35. PROVISION FOR GRATUITY OBLIGATIONS**

- (a) In the previous financial year, the Group operated an unfunded defined Retirement Benefit Scheme ("the Scheme") for the eligible employees. Under the Scheme, eligible employees were entitled to post-employment benefits calculated by reference to their length of service and earnings.
- (b) In the previous financial year, movements in the amount recognised in the statements of financial position in respect of the Scheme were as follows:

	Group	
	2024 RM	2023 RM
Balance as at 1 April 2023/2022	-	2,067,883
Current service cost recognised in profit or loss	-	1,403,351
Payment made via issuance of shares	-	(3,471,234)
Balance as at 31 March 2024/2023	-	-

### 36. DIVIDENDS

	Group and Company		Group and Company	
	2024		2023	
	Dividend per share sen	Amount of dividend RM	Dividend per share sen	Amount of dividend RM
First interim cash dividend paid	–	–	0.50	5,344,050

The Directors do not recommend any payment of final dividend in respect of the current financial year.

### 37. LONG-TERM INCENTIVE PLAN ("LTIP")

At an Extraordinary General Meeting held on 17 October 2014, the Directors were authorised to proceed with the establishment and administration of the Long Term Incentive Plan ("LTIP" or "Scheme"), which comprises an Employee Share Option Scheme ("ESOS") and an Employee Share Grant Plan ("ESGP") and is administered by the LTIP Committee which is appointed by the Board of Directors, in accordance with the By-Laws of the LTIP. The LTIP should be in force for a period of 5 years from 27 October 2014, unless extended further.

On 11 October 2019, in pursuant to the By-Laws 26.3 of the Company's LTIP By-Laws and upon the recommendation by the LTIP Committee, the Board of Directors resolved to extend its existing LTIP for a period of five (5) years commencing from 27 October 2019 on the same terms and conditions as stipulated in the said By-Laws.

The main features of the LTIP are as follows:

- Eligible Directors and employees are those who are confirmed employees of the Company and/or its eligible subsidiaries and has attained the age of 18 years before the date of offer;
- The maximum number of options to be issued under the LTIP should not exceed in aggregate 20% of the issued and paid-up ordinary share capital of the Company at any point of time during the tenure of the LTIP. In addition, any individual Director or employee's maximum entitlement should not exceed 10% of the ordinary shares of the Company;
- Options granted may be exercised at any time within the option period of 18 months or 3 years from the date of offer;
- In the case of the ESGP, the shares will be vested with the grantee at no consideration on the vesting date: while in the case of the ESOS, the option price of a new ordinary share should be the 5-day weighted average market prices of the shares as quoted in the Daily Official List issued by Bursa Malaysia Securities Berhad immediately preceding the date of offer or at RM0.10, whichever is higher; and
- Options granted are not entitled to dividends or voting rights. Upon exercise of the options, the ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.
- The options over the ordinary shares of the Company under ESOS was lapsed in the financial year ended 31 March 2020.
- The ESGP was fully exercised in the financial year ended 31 March 2023.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

**38. RELATED PARTY DISCLOSURES**

## (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other parties.

The Company has controlling related party relationship with its direct and indirect subsidiaries as disclosed in Note 8 to the financial statements.

Related parties of the Group include:

- (i) Direct and indirect subsidiaries as disclosed in Note 8 to the financial statements;
  - (ii) Companies in which certain Directors have financial interests; and
  - (iii) Key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of the senior management of the Group.
- (b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group	
	2024 RM	2023 RM
<b>Related parties</b>		
Management fee income	–	239,521
Management fee expense	–	416,100
Sales	18,842,679	27,769,311
Purchases of goods & services	63,861	3,521,508
Office rental expense	946,260	842,740
Secretarial fee	403,985	295,291
Human resource services rendered	334,673	278,070
Interest income	–	61,034

### 38. RELATED PARTY DISCLOSURES (CONT'D.)

- (b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (Cont'd.)

	Company	
	2024 RM	2023 RM
<b>Subsidiaries</b>		
Management fee income	5,510,400	5,127,600
Maintenance income	360,702	1,892,660
Integration income	410,271	500,016
Software licensing fee income	922,734	100,000
Software licensing fee expense	22,351	19,429
Integration charges	-	1,500
Dividend income	-	6,437,833
Interest income	-	10,650
<b>Related parties</b>		
Management fee income	-	239,521
Management fee expense	-	416,100
Purchases	39,616	13,526
Interest income	-	61,034
Office rental expense	841,860	738,340
Human resource services rendered	32,835	32,880
Secretarial fee expense	330,586	228,615

Related parties transactions described above were carried out on terms and conditions mutually agreed with the respective related parties.

Information regarding outstanding balance arising from related party transactions as at 31 March 2024 are disclosed in Notes 14, 15, 17, 18, 24 and 26 to the financial statements

- (c) The remuneration of the Directors and other members of key management are disclosed in the Note 31 to the financial statements.

### 39. CAPITAL AND FINANCIAL RISK MANAGEMENT

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as a going concern whilst maximising return to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2024 and 31 March 2023.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

## 39. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D.)

## (a) Capital management

The Group monitors capital using a gearing ratio, which is total debts divided by total equity. The gearing ratios as at 31 March 2024 and 31 March 2023 are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Borrowings (Note 22)	41,102,123	28,004,653	–	–
Lease liabilities (Note 25)	4,365,972	6,295,747	3,175,901	4,470,394
Total debts	45,468,095	34,300,400	3,175,901	4,470,394
Total equity attributable to owners of the parent	198,960,050	226,109,122	113,525,606	114,645,116
Gearing ratio	22.85%	15.17%	2.80%	3.90%

Pursuant to the requirement of Bursa Malaysia Guidance Note No. 3/2006, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up share capital of the Group. The Group has complied with this requirement for the financial year ended 31 March 2024.

## (b) Financial risk management

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from foreign currency risk, liquidity and cash flow risk, interest rate risk, credit risk and market risk.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to foreign currency risk, liquidity and cash flow risk, interest rate risk, credit risk and market risk. Information on the management of the related exposures is detailed below.

## (i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rate.

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the functional currencies of the operating entities.

The Group also hold cash and cash equivalents denominated in foreign currencies to pay its foreign purchases as a natural hedge against fluctuations in foreign currency risk.

The sensitivity analysis for foreign currency risk has been disclosed in Notes 14, 15, 19, 24 and 26 to the financial statements respectively.



### 39. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D.)

(b) Financial risk management (Cont'd.)

(ii) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group is actively managing its operating cash flows to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 11, 17, 18, 22, 24, 25, 26 and 27 to the financial statements respectively.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rates.

The primary interest rate risk of the Group relates to interest-earning deposits and interest-bearing borrowings from financial institutions. The fixed-rate deposit and borrowings of the Group are not exposed to a risk of changes in their fair values due to changes in interest rates. The floating rate borrowings of the Group are exposed to a risk of change in cash flows due to changes in interest rates. The Group does not use derivative financial instruments to hedge its risk. The Group borrows in the desired currencies at both fixed and floating rates of interest.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 11, 19, 22 and 26 to the financial statements respectively.

(iv) Credit risk

Cash deposits and trade receivables could give rise to credit risk, which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are reputable institutions and organisations. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with its customers are mainly on credit, except for new customers, where deposits in advance are normally required. The credit period is generally for a period of one (1) month to three (3) months.

The credit risk profiles have been disclosed in Note 14 to the financial statements.

(v) Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising from quoted income funds and quoted shares held by the Group. These instruments are classified as financial assets designated at fair value through profit or loss.

The sensitivity analysis of market risk has been disclosed in Note 10 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2024

### 40. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 29 April 2024, the Company had incorporated and subscribed for a total of one (1) ordinary share representing 100% of the entire issued and paid-up share capital of Microlink Labs Sdn. Bhd., a company incorporated in Malaysia that is engaged in investment holding activity for total cash consideration of RM1.

### 41. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs

#### 41.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards and Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 - Comparative Information)</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	Refer paragraph 98M of MFRS 112

The adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

#### 41.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2024

Title	Effective Date
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS7 <i>Amendments to the Classification and Measurement of Financial Statements</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.





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